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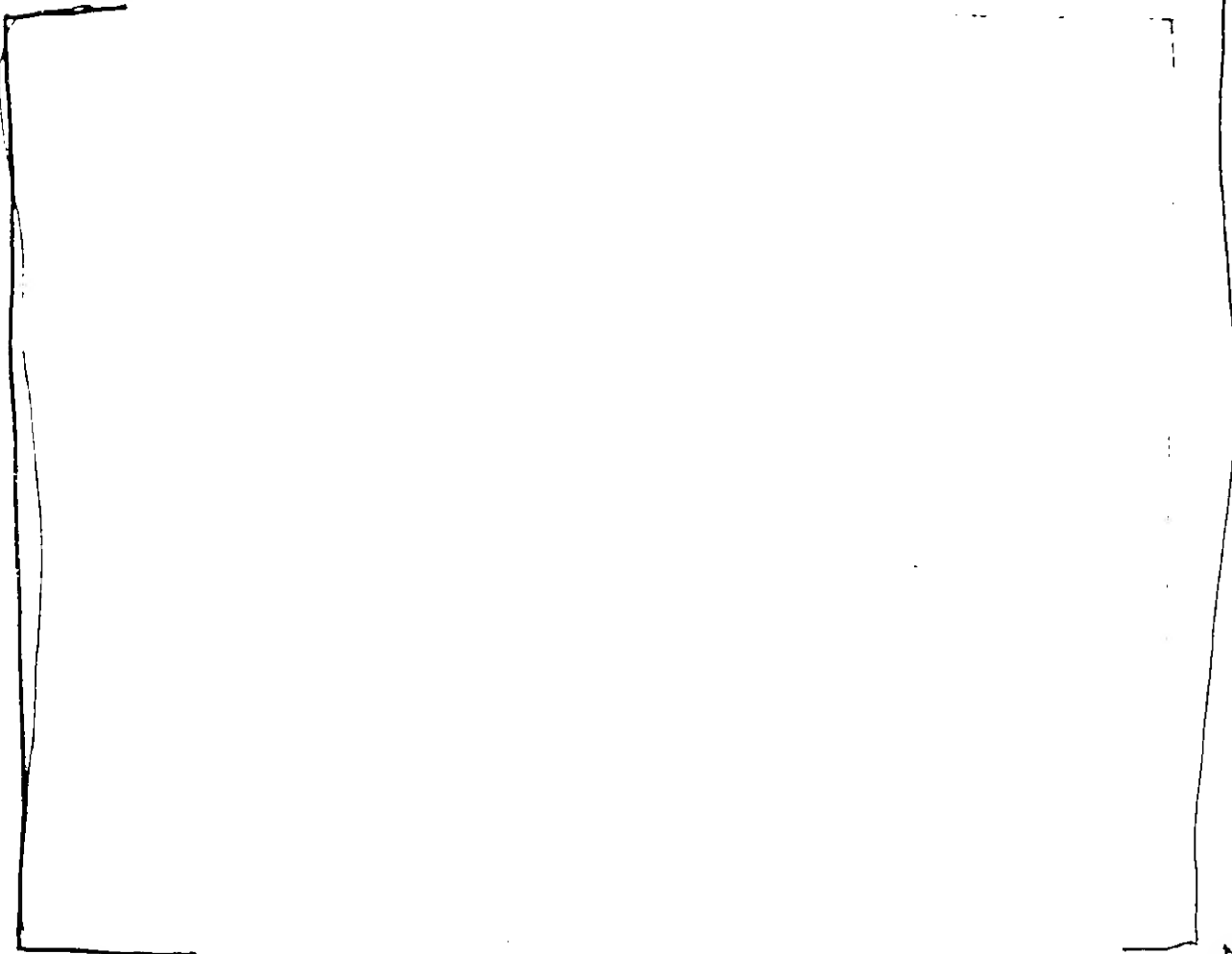
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# PRIVATE MEETING: EXPANDED TALKING POINTS

## Opening:

- Wanted to have a private meeting to frankly address most pressing security issues facing two nations.
- Note recent improvements in bilateral relations (SECSTATE trip & Presidents meeting in Manila). Both sides forward looking, emphasizing common interests. Room for optimism.
- But events of past 18 months remind us that intensive management of relationship needed by senior leaders of both sides to maintain momentum. In this spirit, would like to address those areas that will require our attention in year ahead and beyond.
- Allow General CHIRR to speak first.

## GENERAL CHIRR'S ANTICIPATED REMARKS:



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END OF GENERAL CHIRP'S REMARKS

SECDEF RESPONSE:

*First Address Taiwan ...*

- Recognize importance of issue to overall development of Sino-American relations. More broadly and significantly, the peaceful resolution of the Taiwan issue has tremendous consequences for maintenance of security environment conducive to peace and stability in the Asia Pacific Region.
- No nation in the AP Region wants or benefits from tension in Taiwan Strait. This includes the people of the U.S., and the Chinese people on both sides of the Strait.
- Must state strong disagreement, though, with PRC MOD characterization of U.S. naval deployments in March of this year. U.S. responded in measured but appropriate way to the PLA missile exercises. Almost all of the nations of the Asia Pacific Region, whether or not they publicly stated it, regarded the PLA maneuvers as disturbing and have expressed concern about PRC intentions.
- Do NOT seek confrontation over this issue, but our interests must be clearly stated. Remain optimistic given common commitment to a one China policy, common interest in continued stability and prosperity in the Taiwan Strait, and common understanding that only a peaceful resolution of this issue is acceptable.

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- Express confidence that the Taiwan issue can be properly handled in the coming year, and that we aim to encourage re-establishment of a serious cross-Strait dialogue.
- Address particular concerns:
- Remain committed to our 1982 communiqué statement on arms sales to Taiwan. This statement was based, of course, on the PRC's continued fundamental policy of seeking peaceful reunification.
- Overriding goal is to foster a security environment in the Taiwan Strait that is conducive to the resolution of the Taiwan issue through peaceful means. In the language of the 1982 Communiqué, U.S. does not seek to pursue a long-term policy of arms sales to Taiwan.
- Arms sales are strictly of a defensive character. Extremely careful about what is approved.
- In spite of pressures ensuing from the recent tensions in the Strait, we continue to be very selective in considering weapons sales to ensure that they in no way affect the basic military balance in the region.
- But, sales aimed to provide Taiwan with a sufficient defensive capability within the context of the 1982 Communiqué will continue. The stable environment created by Taiwan's self-confidence has generated tremendous cross-Strait prosperity, and broad exchanges among the Chinese people.
- U.S. restraint in its arms sales to Taiwan is indicative of our full commitment to our "one China" policy, as set forth in the Three Communiqués. We do not support Taiwan independence, nor actions by any party to unilaterally change the status quo.
- The relationship continues to be an unofficial one. The Administration does not support Taiwan's participation in any international organization that requires statehood for membership, including the UN.
- Also aware of concerns over the visits of Taiwan leaders to the U.S. The USG will permit visits only in accordance with our criteria; that is, it must be unofficial and for a private purpose. Expect such visits to be rare.

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*Shift to Bilateral Relations:*

- Wish to briefly address 3 topics central to U.S.-China security relations over next decade: 1) USG China policy; 2) U.S.-Japan security relations; and 3) U.S. military presence in Asia Pacific Region.
- Points regarding USG China ...
- Often have said at some time in next century nature of security relations between U.S. & China likely most important in world.
- Strong consensus domestically & within Asia Pacific Region that two nations share important common strategic interests, which will elaborate on in plenary session.
- President want continued improvement in Sino-American relations through second Administration, point he will make to you at White House tomorrow.
- Key question -- will improvements be possible?
- Have read much about Chinese leaders debating whether U.S. regards China as threat and is implementing a containment strategy.
- Frankly, hear much more about China Threat theories and so-called containment policies in Beijing than in Washington. Puzzled by this.
- Containment was terminology that explained U.S. and NATO strategy against the Soviet bloc. It was manifested by competition and confrontation across all aspects of relations- politically, economically, and militarily. China's security strategy during the latter half of the Cold War paralleled our own so you are aware of the comprehensive meaning of containment.
- From the steadily increasing volume of interaction between our governments, private sectors, and peoples, it is manifestly clear the U.S. is not embarked on a strategy designed to oppose China's growth.
- As SECDEF, should be aware if USG was pursuing containment policy- no one has so informed. And U.S. force posture and doctrine make this clear. Confident in our own capabilities and security environment.

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- Your nation's tremendous economic potential, its central geographic position in Asia, and a lack of knowledge about your military's capabilities and doctrine, do cause concerns among your neighbors in the Asia Pacific Region.
- But our own objective remains one of working together with China to help ensure the regional and international security orders smoothly adjust to your nation's growth and that we maintain the conditions of peace & stability essential to global economic growth and prosperity.
- Four reasons I often state why it is in U.S. interests, and coincidentally Chinese interests, for us to maintain constructive dialogue and relations between defense establishments:
  - Globally- work to find ways to curb spread of WMD and means of delivery
  - Within Asia Pacific Region to work together to maintain stability.
  - Increase defense dialogue & transparency between nations so as to increase mutual confidence and insure strategic interests are clear. This is an objective shared widely by all nations of the Asia Pacific Region.
  - Increase confidence between operational forces to avoid the possibility of accidents and cooperate in ways that benefit both of our nations.
- Believe both sides are committed to careful management of security relations. Aware of difficulties ahead.
- From our perspective, outstanding differences in the areas of nonproliferation and human rights will limit prospects for full cooperation and shift the focus of our senior-level dialogue away from the theme of common interests.
- But- message I want to convey to you, your Government, and the PLA is that this Administration and DOD unequivocally for a policy of intensive dialogue & cooperation with China. Such a policy is in the U.S. national interest and will be maintained. There is no idealism or complacency on our part about the challenges both of our nations face in managing our security relations.

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- You will hear this message conveyed to you not only by DOD and U.S. military leaders with whom you meet, but also from the key Administration and Congressional leaders you will have discussions with.
- The key will be a will on both sides to address particular security and bilateral military issues in concrete ways. This was very much my objective in advancing various specific initiatives designed to promote our defense relations.
- We very much believe a key measurement of success for your visit will be the degree to which both sides can point to concrete results prior to your departure from Hawaii, and I look forward to hearing your responses to our proposals during the plenary session.

[NOTE: If time limited, may wish to conclude at this point and address U.S.-Japan security relations and U.S. military presence in Asia Pacific Region during the plenary session, including in the opening discussion on security issues.]

Points regarding U.S.-Japan Security Relations --

- Aware of concerns on U.S.-Japan security relations.
- Just returned from visit to Tokyo. Would like to explain the objectives of U.S.-Japan security relationship and why it contributes to China's own security & economic interests.
- U.S. considers the real triumph of the Cold War the transition of Germany & Japan into two peaceful democratic states, fully integrated into various regional & international political, economic, and security systems.
- Have very special relationship Japan- we are two nations that share many common ideals and dedication to cooperating to help maintain peace and security in the Asia Pacific Region.
- Japan remains a nation whose Constitution "renounces the use of force as a means of settling international disputes." It is not a nuclear power. Its military remains structured and oriented as a defensive force. This despite the threat it faced, along with China, during the Cold War, and the various sources of instability in the Asia Pacific Region today.
- Clearly this remarkable outcome is related to the nature of the U.S.-Japan security relationship. Let me make several specific points.

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- The Joint Security Declaration issued by President Clinton and Prime Minister Hashimoto in April reaffirmed the continuing importance of the U.S.-Japan security relationship in the post-Cold War environment.
- The statement confirms the continuing U.S. commitment to Japan and the region, and Japan's continuing support for this commitment, including the U.S. forward deployment of about 100,000 troops regionally, and current U.S. force levels in Japan.
- Regarding the bilateral agreement to review the 1978 Mutual Defense Guidelines: the 1978 Guidelines were the product of a different era and it makes sense to update this document as necessary. The goal of the Guidelines review is to strengthen bilateral security cooperation in a way which enhances regional stability.
- We will undergo this bilateral review process to determine areas for defense cooperation as Japan has identified in its revised National Defense Program Outline (NDPO) of November 1995, and the areas of cooperation outlined in the security declaration.
- Regarding perceptions about the 'changed' nature of the U.S.-Japan security relationship: neither the Joint Security Declaration nor the Defense Guidelines review change fundamentally the U.S.-Japan alliance or the principles it is based upon. Japan's Constitution and the provisions contained in Article 9 ('renunciation of war') have not been a subject of bilateral discussion.
- The success of these security arrangements can be measured by the stability and peace of the region. The U.S.-Japan Security Treaty and arrangements form the foundation for the economic growth and extraordinary political stability of the Asia Pacific, the most dynamic region in the world.
- China, perhaps more than any other nation in the world, has benefited enormously from the U.S.-Japan security relationship, and we believe this will remain the case in coming years.

Points regarding U.S. military presence in the Asia Pacific Region ...

- U.S. intends to maintain strong military presence in Asia Pacific Region. Currently level at around 100K strong.

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- DOD undergoing Quadrennial Defense Review (QDR) which I hope we will have an opportunity brief you on in more detail during your stay in Washington. Fundamentally, however, we anticipate no major changes in our force posture through the end of the decade.
- Our military presence, of course, is based upon a number of security interests. Foremost is the maintenance of our alliances with Australia, Thailand, the Philippines, Japan, and the Republic of Korea. Those with Japan and Korea are especially critical to the maintenance of peace & stability in the Asia Pacific Region, and we see as very much in China's own interest.
- Will have opportunity in the plenary session to address the situation on the Korean Peninsula in more detail.
- But would like to emphasize that given the history of conflict, animosity, and mistrust in the Asia Pacific Region, we see our military presence more than anything else as a reassurance to all nations.
- Former-ASD Nye, who you met in Beijing and saw again last night, often refers to security as the oxygen which enables economic growth to flourish. And like oxygen, nations rarely think about security until it is gone.
- Regard U.S. military presence as the oxygen that serves U.S., China's, and Asia Pacific security and economic interests.

Conclude Private Meeting & Suggest 5-minute break before plenary session. Plenary session in your adjacent conference room. PRC MOD delegation will have just completed NMCC tour

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## PLENARY SESSION: EXPANDED TALKING POINTS

### PLENARY SESSION PART I: SECURITY ISSUES

#### U.S. Side Leads; Chinese Side Follows

- Welcome delegation to Pentagon [received NMCC tour during your private meeting with General CHIRR]
- Note group is most senior, comprehensive PLA delegation to visit U.S. since establishment of relations in 1980. Tremendous opportunity to promote better global, Asia Pacific regional and bilateral security relations, as well as advance military ties between two countries.
- Before beginning, though many know each other from previous visits or from yesterday's Gettysburg trip and dinner at National War College, Fort McNair, let me introduce the key participants on the U.S. side.
- CJCS, General Shalikashvili
- Ambassador Jim Sasser
- USDP, Mr. Walt Slocombe
- ASD ISA Mr. Frank Kramer
- Assistant Secretary of State, East Asia & Pacific, Ambassador Winston Lord
- My Special Assistant, Mr. Bob Hall
- Acting ASD ISP, Mr. Frank Miller
- NDU President LtGen Rokke, who'll be accompanying you throughout your stay in the U.S. as my representative
- Special Assistant to the President for Asian Affairs, Ms. Sandy Kristoff
- My Senior Military Assistant, MG Randy House
- DASD Asian & Pacific Affairs, Dr. Kurt Campbell
- Our interpreter, Ms. Vivian Chang
- Also have representatives (off the table) from the Defense Intelligence Agency and Arms Control & Disarmament Agency, as well as Brigadier General Mike Byrnes, our Defense Attaché in Beijing.
- Before starting, offer General CHIRR opportunity to introduce members of his delegation.

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AFTER GENERAL CHIRP INTRODUCES DELEGATION:

- If acceptable, suggest we divide the plenary session into two parts, first exchanging views on various global and Asia Pacific security issues, then discussing bilateral military relations.
- I'd like to open, then, by addressing several important security issues in the Asia Pacific region, then turn to major global issues.
- Starting point in understanding U.S. Asia Pacific strategy and long-term interests in Region is recognition that America is an Asia Pacific nation.
- Equities Growing & Will Remain Engaged
  - *Geographically:* 4 U.S. states border Pacific Ocean; 1 surrounded by it
  - *Historically:* Has been engaged since U.S. began trading w/China in 1784. Have fought in three major conflicts there in this century. Our presence has played a vital role since the end of World War II in providing security that sustains regional prosperity.
  - *Demographically:* 7 million Americans of Asian descent. Fastest growing ethnic group.
  - *Economically:* U.S. trade with region last year over \$450 billion; 2.8 million jobs. Over 1/3 U.S. trade with Asia, and growing.
  - *Security:* 3 A-P states are P-5 members (U.S., China & Russia); forwardly-deployed U.S. forces in region including Korea Peninsula; robust alliances.
- Define our regional security strategy as having 3 dimensions: unilateral, bilateral, and multilateral.
  - *Unilateral:* Foundation of regional strategy. Dangers & potential threats require maintenance of strong, ready forces, and the will to use them to deter & defeat threats to U.S. interests. 100K, forwardly deployed. 80K ground & air in Japan & Korea; 20-30K naval in Western Pacific fleet. Security umbrella for entire region.
  - *Bilateral:* Strong alliances with Japan, ROK, Australia, Thailand & Philippines, as well as our policy of intensive dialogue & cooperation with China.

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- Multilateral: Support regional security dialogues. Given historical animosities & potentially serious problems (Korea; South China Sea), USG advocates moving forward. Increasing economic integration & interdependence make such dialogue more important.
- *If value of U.S. regional military forward presence to AP stability not covered in private meeting, mention here.*
- Within this context, wish to offer views on several specific regional topics. First regarding the upcoming reversion of Hong Kong.
- As you know, the U.S. strongly supports a transition that preserves Hong Kong's prosperity and basic freedoms.
- The reversion process will receive intense publicity globally, regionally, and here in the U.S. We believe a smooth transition cannot but help Sino-American relations and contribute to China's own modernization goals.
- We also hope to maintain U.S. Navy ship visits to Hong Kong for rest and recreational purposes, believing that they will serve as an important symbol of continuity and stability to the people of Hong Kong and the international community.
- Regarding our mutual interest in maintaining a nuclear-free Korean Peninsula.
- One purpose of our efforts to engage the DPRK is to encourage a broader opening to outside influences that could lead to reform or evolution. We understand that China would also like to see a gradual DPRK transformation that would put the North on a more sustainable course and decrease the risk of war or other major upheaval, such as massive refugee flows.
- However, the submarine infiltration incident of mid-September has greatly complicated our efforts to build a positive working relationship with the North. To move forward, it is essential that the North make an appropriate gesture toward the ROK (e.g., letter of regret to the ROK, commitment to Four Party Peace Process) to create a more constructive atmosphere.

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- Also, the DPRK must restart canning of spent nuclear fuel immediately; this is an important aspect of the Agreed Framework. We have conveyed this message to the DPRK on several occasions. It would be in China's interests to also reinforce this message to North Korea.
- The US is willing to help facilitate the Peace Process on the Korean Peninsula, but the North and South must be the primary parties to any agreement. This formula was captured in the Four Party proposal announced by Presidents Clinton and Kim in mid-April.
- *May wish to offer ROK perspective based upon your recent meetings with their MINDEF.*
- *I'd like to ask General Shalikashvili to offer his assessment of the military situation on the Peninsula.*
- *If U.S.-Japan security relations not covered during private session, briefly cover here.*
- Would also like to address the issue of freedom of navigation and the United Nations Convention on the Law of the Sea (UNCLOS).
- U.S. remains committed to the principles embodied both in the concept and the Convention. Unhindered navigation by all ships and aircraft is essential for the peace and stability of the entire region.
- Welcomed China's announcement last year that it recognizes the principle of freedom of navigation in the South China Sea area, and that it believes all disputes (in the South China Sea) should be resolved peacefully by means consistent with international law and the UNCLOS.
- We were pleased with China's ratification of UNCLOS (15 May 1996) and have noted your public announcement of baselines. I know that my Government, along with those of several other East Asian maritime states (at least Japan, ROK, Vietnam, Indonesia, Singapore), have expressed their concerns regarding the consistency of these baselines with UNCLOS, and we look forward to discussing these concerns with experts from your Government at a mutually convenient time.
- Finally, let me offer several thoughts on Asia-Pacific multilateral security dialogue and mechanisms.

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- While recognizing multilateral dialogues cannot alone provide an adequate security architecture for the Asia-Pacific region, we do believe that they can help contribute over time to transparency and trust.
- The USG is pleased with the overall progress of the ASEAN Regional Forum (ARF). The ministerial meeting this year demonstrated that leaders were able to discuss sensitive issues in a non-confrontational, constructive atmosphere.
- We are also pleased with the inter-sessional work program for the coming year. We commend China's agreement to co-host the next meeting of the CBM group.
- We do have some concerns about ARF's long-term direction and focus, particularly with the expanded membership.
- Sub-regional dialogues may hold more promise for addressing important, pressing problems.
- But I am, nevertheless, convinced that it makes sense to think about developing more multilateral dialogue among defense establishments in the region. My own experience in Europe and the Americas makes me believe that we proceed in ways consistent with the particular character, needs, and realities of the Asia Pacific Region.
- Let me turn to global issues.
- We both mentioned, General Chi, during our private meeting the many broad security interests shared by our two nations.
- The rise in influence of transnational terrorist and criminal organizations, the need to rely on multinational approaches to resolve regional and ethnic conflicts, threats to security caused by large-scale migrations of populations, and issues of environmental security, are all areas that have elicited and call for further Sino-American cooperation.
- Here in the U.S., the Department of Defense has played an increasingly active role in all of these areas as the nature of our nation's security interests have evolved since the end of the Cold War. We work actively with other U.S. Government departments and agencies to support their efforts in various ways.

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- We would welcome the opportunity in the coming year to discuss with you DOD's roles in dealing with these various threats and challenges.
- Let me conclude by addressing our common interests in dealing with problems of the proliferation of weapons of mass destruction (WMD) and their means of delivery.
- As you are aware, the DOD and the U.S. military consider multilateral approaches to arms control and nonproliferation cornerstones of our overall security strategy.
- We have been pleased with several developments over the past six months regarding China's own policy approaches in these areas, especially your support for CTBT, commitment to ratify the Chemical Weapons Convention, your Government's May 1996 statement that you will not provide nuclear technology to unsafeguarded facilities, and your restraint in not proceeding with a reactor sale to Iran.
- My Government also takes note of China's stated position of being resolutely opposed to the introduction of nuclear weapons to two of the particularly volatile regions of the world, South Asia and the Persian Gulf/Middle East.
- We also welcomed President Jiang's ("GEE-ANG's") signing of a confidence building agreement with the Indian Government during his recent trip to New Delhi. Lessening subregional tensions reduces the incentives of various parties to procure weapons of terror and mass destruction.
- I believe, however, that we must move much further in our common efforts to curb the spread of WMD and their means of delivery.
- Let me make several points.
- First, the U.S. and China do have several major points of disagreement regarding adherence to particular nonproliferation regimes and specific activities with states in South Asia and the Persian Gulf Region.
- We both have vital national security interests in these areas of the world. And together we possess the resources to effect positive outcomes.

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Therefore, it is essential that we maintain an open and straightforward dialogue aimed at resolving problems.

- DOD fully supports the maintenance of substantive and results-oriented discussions on nonproliferation and arms control issues between your Ministry of Foreign Affairs, and our Department of State & Arms Control and Disarmament Agency. In fact, representatives from OSD and the Joint Staff often participate in such talks, and we encourage PLA participation in the same.
- Second, progress and cooperation in the area of nonproliferation improves the prospects for good overall bilateral relations, including those between our militaries. Conversely, failure to maintain a steady dialogue and achieve results cannot but impair our overall relationship and military ties.
- Third, the USG is particularly concerned about the potential for regional instability in the Persian Gulf caused by the build up of surface-to-surface ballistic missiles.
- The U.S. Department of Defense is focused on the potential of Iranian SCUDs being used against the United States and Allied forces and bases in the region, a point of concern not only to this Administration, but to our Congress and the American people. We are also concerned about the growth of Iranian nuclear and chemical warfare capabilities, and Iran's robust naval armament programs.
- Largely through outside assistance, including China's, Iran has made substantial progress toward its goal of creating a layered threat to the Strait of Hormuz -- layers consisting of missile boats and aircraft armed with advanced anti-ship cruise missiles, mobile coastal defense missiles, sea mines, kilo submarines, and small attack boats.
- Similar to our shared interest in a nuclear-free Korean Peninsula, I believe we share long-term interests in the Persian Gulf -- particularly with respect to our mutual desire to protect shipping and commercial access to the region's oil. Iran is heading in a direction that threatens those interests.
- With some projections showing China's potential oil shortfall surpassing 2 million barrels per day by the year 2000, I believe you must share our concerns.

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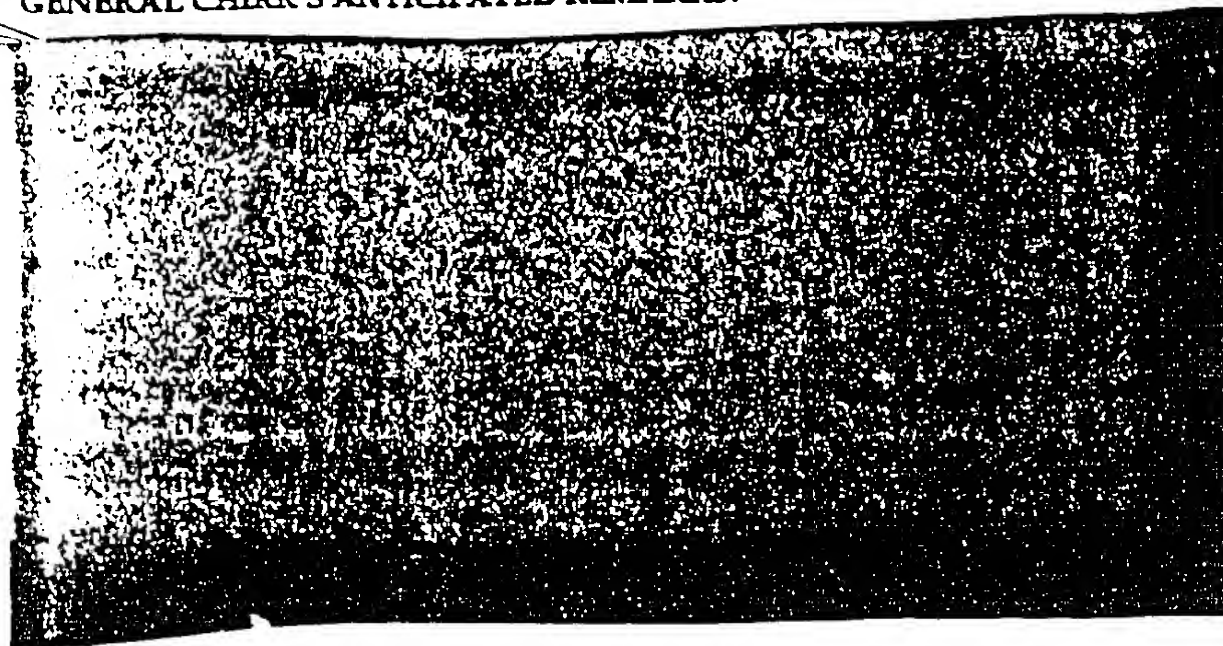
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- Moreover, Iran is a known terrorist state. It exports a militant fundamentalist doctrine inimical to your own nation's security interests. I remember General Xiong ("SHE-UNG") mentioned your own Government's concern with Islamic fundamentalism in China's Northwest region during his excellent briefing in the Pentagon in March 1995, so I know you share our views on this point. Iran is a state that should be regarded with the utmost caution.
- Restraint in exports that support ballistic missile or chemical technologies that could be diverted to weapons is in the security interest of both the U.S. and China.
- It seems clear that U.S. and Chinese security interests are directly affected by military developments in Iran. We ask for China's appreciation of the increasing seriousness of this issue and your cooperation in curbing Iran's military build-up. Thirty-three countries have now pledged not to transfer arms to Iran; we would welcome China's similar commitment.
- Fourth, and last, I was told by Mr. Christopher upon his return from China two weeks ago that your Foreign Minister Mr. Qian ("CHE-EN") had suggested we might consider talks between experts, including military experts, on the subject of detargeting. I would welcome your thoughts on this subject.
- Let me stop here. I would welcome your own views on global and Asia Pacific security issues.

GENERAL CHIRP'S ANTICIPATED REMARKS:



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PLENARY SESSION PART II: SINO-AMERICAN MILITARY RELATIONS

U.S. Side Leads; Chinese Side Follows

- Thank General CHIRP for views on global & Asia Pacific Regional security issues. Shift dialogue to bilateral military relations- U.S. side first.

First Explain Why the U.S. and DOD Promote Defense Ties with China:

- Note importance of bilateral military relations between great powers:
  - Defense ministries and military leaders have special responsibility to contribute to maintenance of peace & stability.
  - Active dialogue and exchanges build mutual confidence and enhances strategic understanding.
  - Particularly true for China & the U.S. in the Asia Pacific region and increasingly globally.
- Six reasons Administration & DOD emphasizes its defense ties with PRC
  - First, China's growth has a profound impact on Asia Pacific regional and global security order. Open defense dialogue can facilitate peaceful & smooth power transitions.
  - Second we can more effectively address together through coordination & consultation important global & regional security issues such as stability on the Korean Peninsula and proliferation of WMD & means of delivery.
  - Third, nations of Asia-Pacific Region all seek to maintain conditions of peace & stability that promote economic prosperity and political stability. These nations recognize the contribution

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good ties between the U.S. and Chinese defense establishments can make towards this goal. This is the clear message I continue to receive from all of our Asian friends and allies.

- Fourth, we aim to increase defense transparency between our two nations as a means of clarifying security interests and intentions. The exchange of briefings on defense strategy and budgets conducted in late-1994 and early-1995 (ASD Warner & LTG SHE-UNG), as well as the publication late last year of China's report on arms control and disarmament, are steps that we welcome and will continue to support.
- Fifth, U.S. & PRC military maritime forces in AP Region will increasingly operate in proximity in coming years. Need to have clear understanding between our armed forces of respective methods of operations to reduce the possibility of accidents or miscalculations.
- Sixth, and last, there are opportunities for our armed forces to learn from one another through functional and professional exchanges.

#### Review State of Military Relations:

- Note difficulties experienced since Summer 1995.
- Nevertheless, pleased that over past 8 months both sides have worked to restore defense dialogue and exchanges.
- Appreciative of the PLA's hosting of USDP Slocumbe in Beijing in late-June, and CINCPAC Admiral Prueher in China in September.
- Also continued to advance our military medical and National Defense University relationships through the visits to the U.S. of your Deputy Director of the General Logistics Department LTG JOE, as well as LtGen Rokke's counterpart, LTG SHING. Enjoyed meeting with both of those officers.
- General CHIRP's visit offers the possibility of better normalizing & expanding our defense dialogue & exchanges.
- Have are four important ways in which our militaries interact:

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- First, through visits and meetings between our senior defense and military leaders.
- Second, through measures aimed to improve the confidence and understanding between our armed forces, such as naval ship visits and discussions on our respective strategies and doctrines.
- Third, through organizational and institutional exchanges, such as in the field of military medicine and professional military education.
- And fourth, through participation in multinational professional military activities and symposia- such as those sponsored by CINCPAC in the Asia-Pacific Region or the International Seapower Symposia hosted by Chief of Naval Operations.

Discuss Your Proposals for the Coming Year:

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- (PLS) -
- Second, regarding confidence building measures, would like to make several proposals and suggestions.
  - U.S. and China are both Pacific maritime nations. Our navies and maritime air forces operate in proximity. Hope to establish regular dialogue between our military maritime operational forces to exchange views & cooperate on such issues as maritime and air operations, communications, safety, search & rescue, and operational law.
  - Have been authorized by Government to formally convey to General CHIRR a draft Military Maritime Cooperative Agreement for

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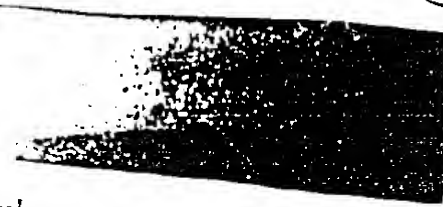
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consideration and subsequent negotiation. [NOTE: You will be handed the draft Agreement by your staff to pass to General CHIRR]

- Ask General Shalikashvili to note importance he & U.S. military place upon such an agreement.
- [After CJCS intervention]. Have also asked CINCPAC Admiral Prueher to provide additional thoughts on a Military Maritime Cooperative Agreement during your stay in Hawaii. Look forward to your response, and would welcome initiation of formal discussions at the earliest opportunity, with the U.S. side's negotiating and concluding authority delegated to the CJCS, General Shalikashvili.
- Another important CBM is ship visits between U.S. & Chinese navies. Have appreciated the warm hosting in recent years of *USS Bunker Hill* in CHING-DOW (March 1995) and *USS Fort McHenry* in Shanghai (January 1996).
- Would welcome early in 1997 a PLA Navy visit to Hawaii and the West Coast of the United States. Hoping such visits will increase in frequency.
- At same time, look forward to continuing U.S. naval ship visits to the PRC in the coming year. Again, CINCPAC Admiral Prueher hopes to discuss ship visits with you in more detail when you are in Hawaii.



- Finally, let me say that the publication in November 1995 of your nation's report on arms control and disarmament was welcomed in the U.S. and the Asia Pacific Region as a positive step by China to increase its defense transparency. We ask you to consider publishing a Defense White Paper as a next step.

A third area of interaction between our armed forces is in the area of professional and functional exchanges.

Hope to gradually increase the scope of these based upon the principles of mutual benefit, reciprocity, and self-funding. When particular counterpart relationships appear mutually advantageous, recommend the

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- Hope General CHIRR's subsequent discussions with CJCS and CINCPAC, delegation members' discussions with U.S. military counterparts, and observations and insights gained when visiting U.S. military outside of Washington, D.C. will help further promote military relations.
- Placeholder for possible receipt from PRC MOD of two dogtags of WW II B-24 crewmen recently recovered in Southeast China. This is a follow-up to the news of the crash site discovery and video conveyed by President Jiang to President Clinton at the APEC in Manila last week. PRC MOD has requested the transfer occur at "an appropriate time and location", obviously to engender goodwill. You can take this opportunity to stress themes of cooperation and more narrowly, encourage further cooperation on POW/MIA cases from WWII and the Vietnam War (which PRC supports), and the Korean War (which the PRC is nervous about because of Chinese abuse of American POWs during that conflict).
- Look forward to seeing again tomorrow at the White House.

GENERAL CHIRR WILL ACCOMPANY CJCS TO GENERAL SHALIKASHVILI'S OFFICE FOR PRIVATE MEETING PRIOR CJCS-HOSTED LUNCH WITH SERVICE CHIEFS FOR DELEGATION AT RITZ-CARLTON, PENTAGON CITY

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## PRIVATE MEETING: EXPANDED TALKING POINTS

### Opening:

- Wanted to have a private meeting to frankly address most pressing security issues facing two nations.



- Allow General CHIRR to speak first.

### GENERAL CHIRR'S ANTICIPATED REMARKS:



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END OF GENERAL CHIRR'S REMARKS

SECDEF RESPONSE:

*First Address Taiwan ...*

- Recognize importance of issue to overall development of Sino-American relations. More broadly and significantly, the peaceful resolution of the Taiwan issue has tremendous consequences for maintenance of security environment conducive to peace and stability in the Asia Pacific Region.
- No nation in the AP Region wants or benefits from tension in Taiwan Strait. This includes the people of the U.S., and the Chinese people on both sides of the Strait.



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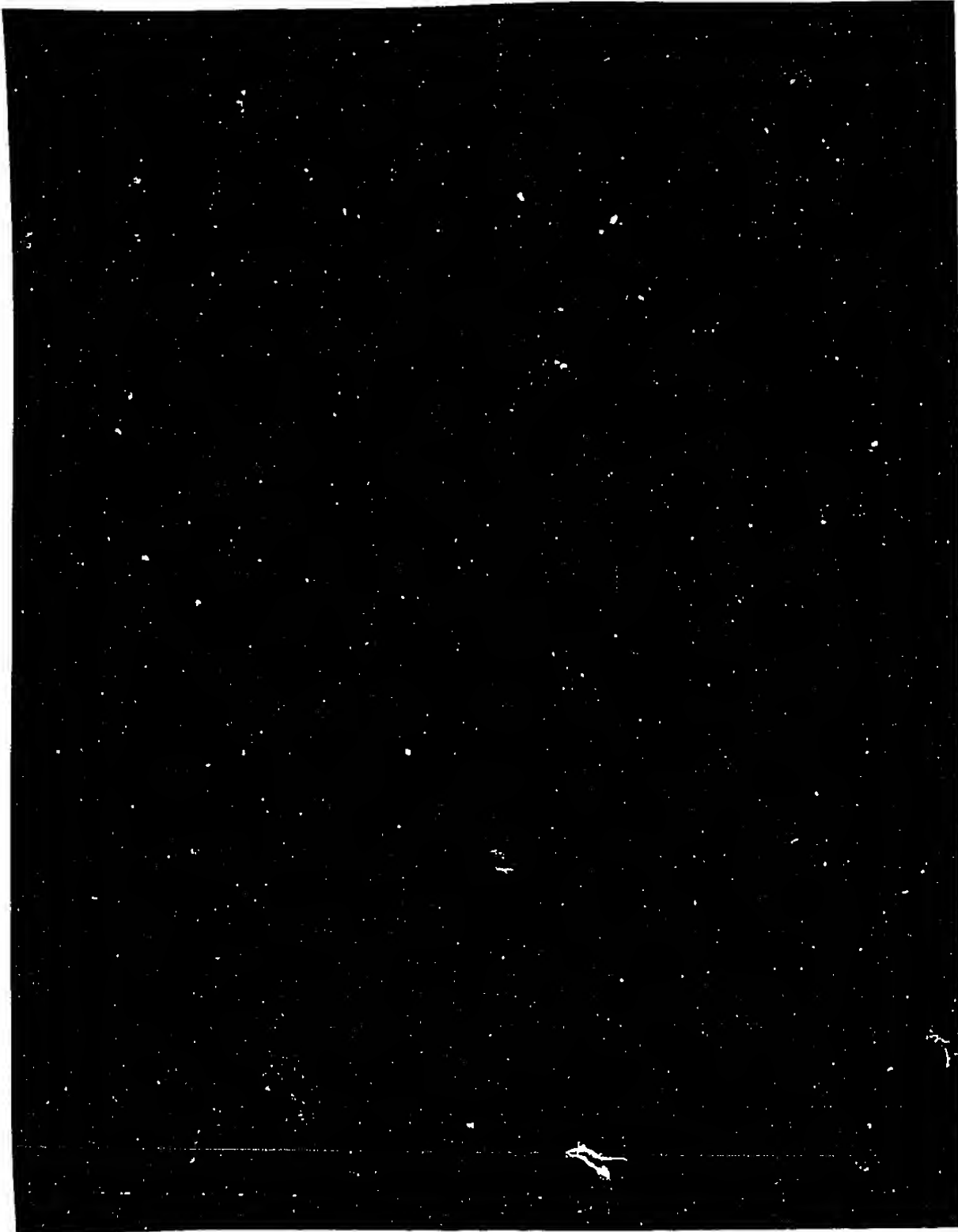
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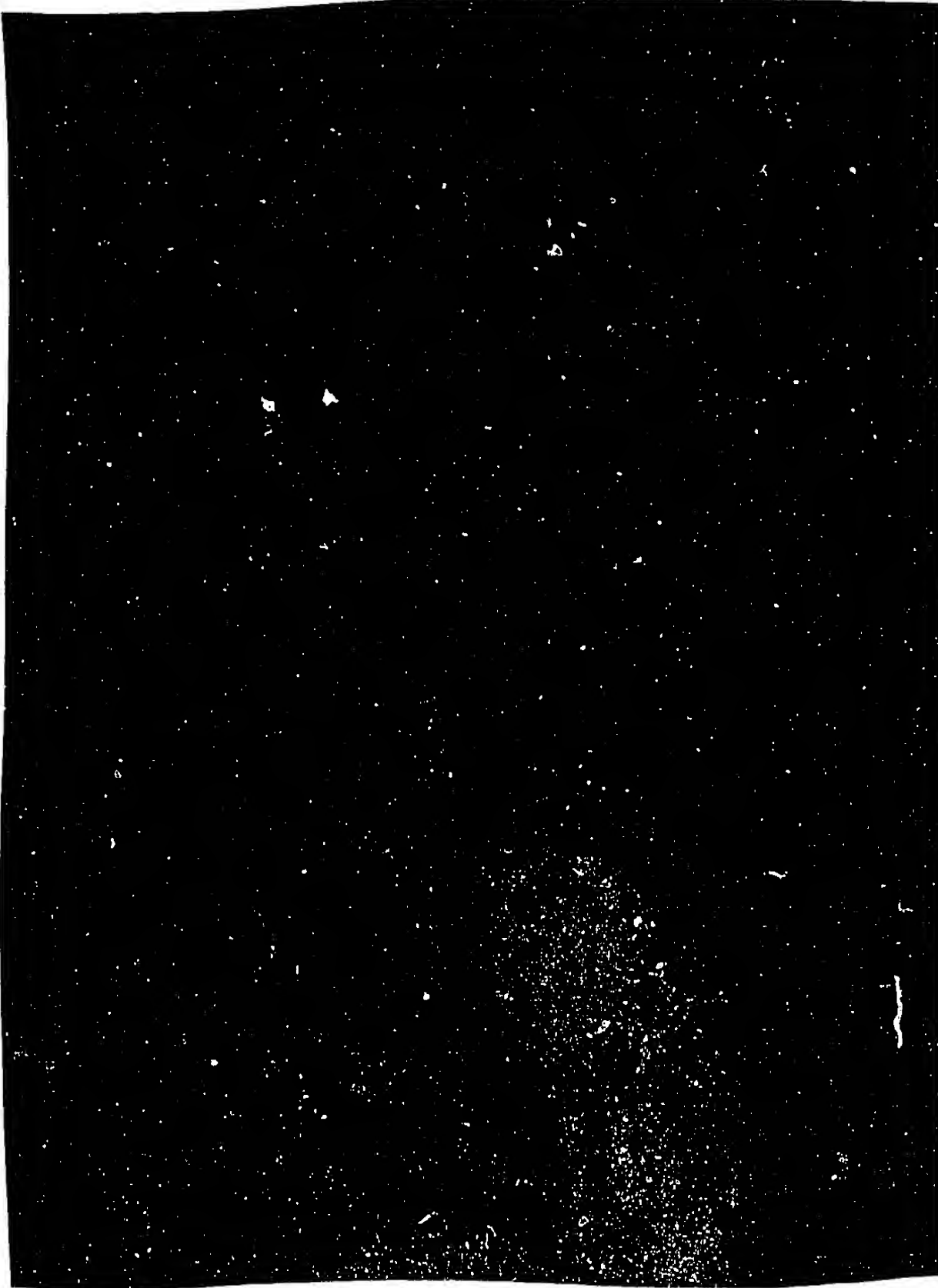


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*Shift to Bilateral Relations:*

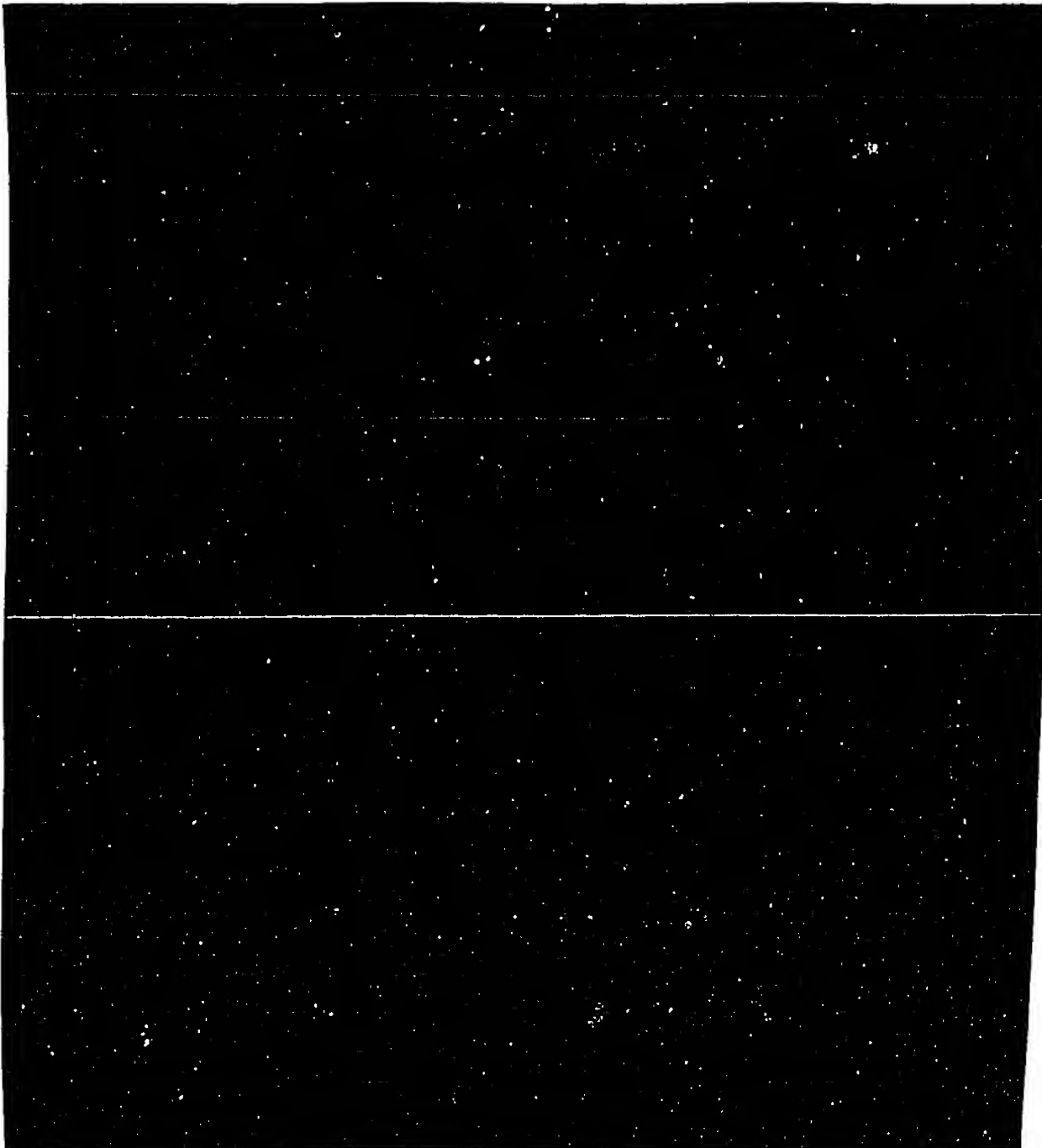


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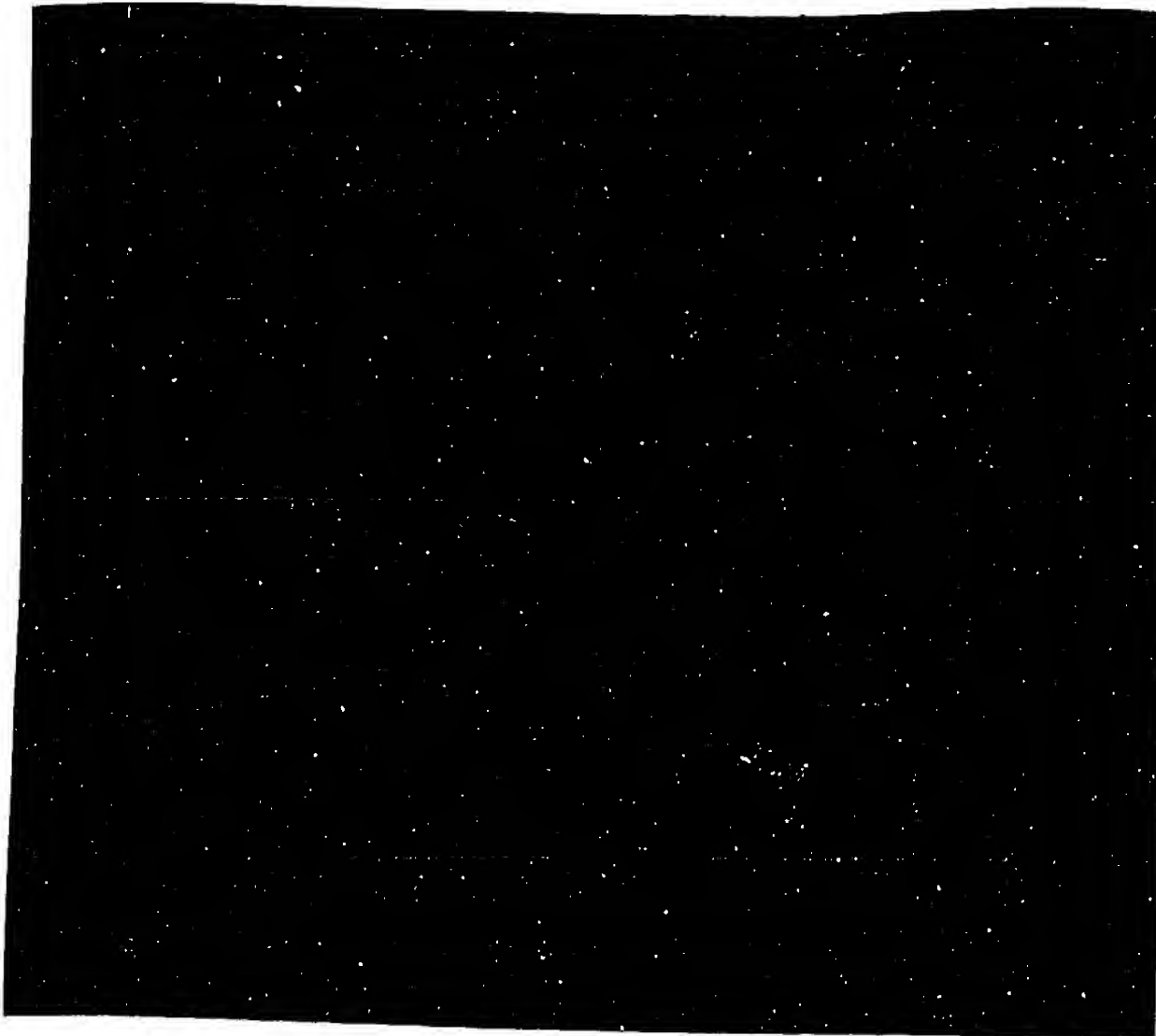
- Your nation's tremendous economic potential, its central geographic position in Asia, and a lack of knowledge about your military's capabilities and doctrine, do cause concerns among your neighbors in the Asia Pacific Region.
- But our own objective remains one of working together with China to help ensure the regional and international security orders smoothly adjust to your nation's growth, and that we maintain the conditions of peace & stability essential to global economic growth and prosperity.



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- U.S. considers the real triumph of the Cold War the transition of Germany & Japan into two peaceful democratic states, fully integrated into various regional & international political, economic, and security systems.
- Have very special relationship Japan- we are two nations that share many common ideals and dedication to cooperating to help maintain peace and security in the Asia Pacific Region.
- Japan remains a nation whose Constitution "renounces the use of force as a means of settling international disputes." It is not a nuclear power. Its military remains structured and oriented as a defensive force. This despite the threat it faced, along with China, during the Cold War, and the various sources of instability in the Asia Pacific Region today.
- Clearly this remarkable outcome is related to the nature of the U.S.-Japan security relationship. Let me make several specific points.

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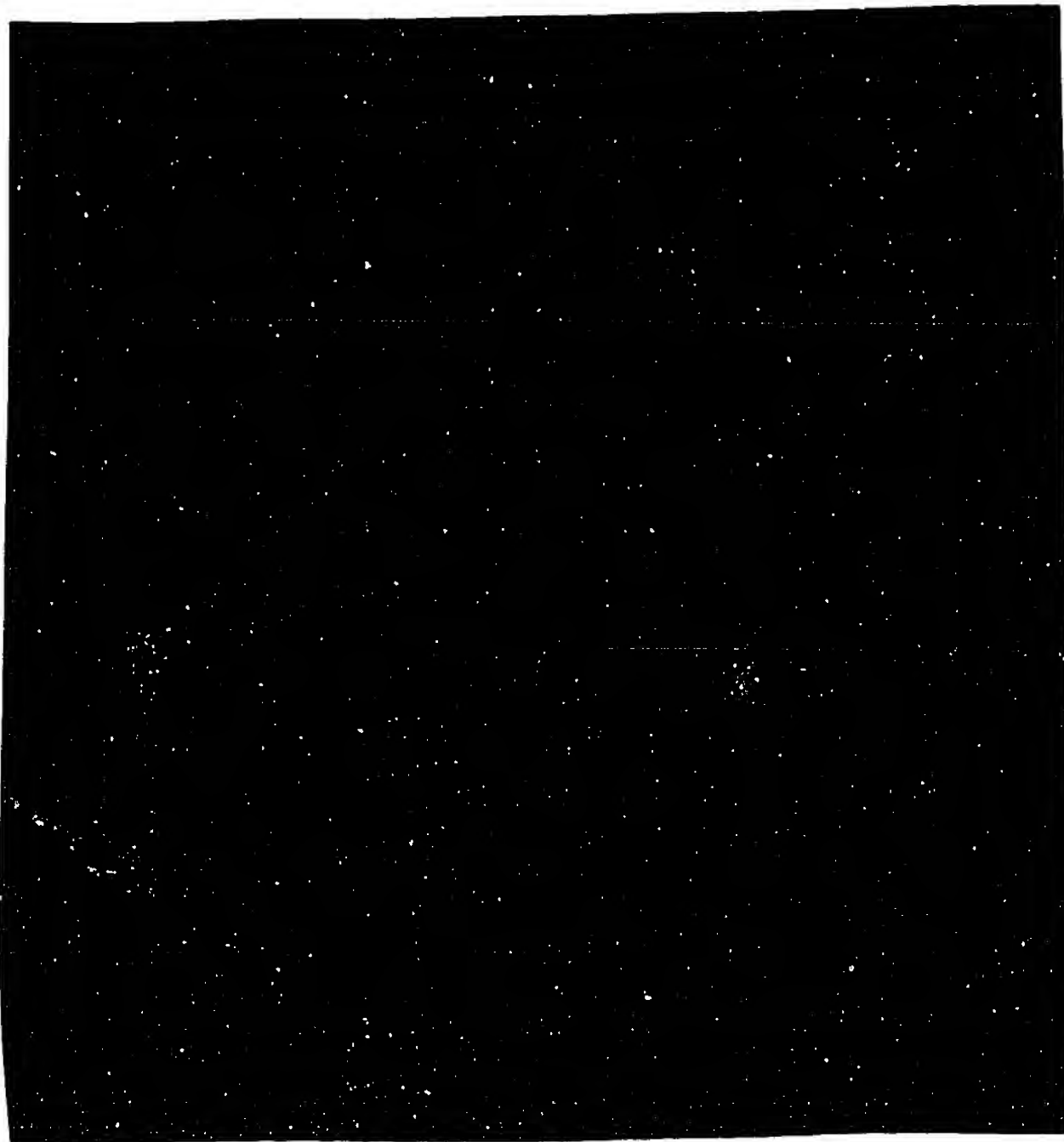
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Points regarding U.S. military presence in the Asia Pacific Region ...



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Conclude Private Meeting & Suggest 5-minute break before plenary session.  
Plenary session in your adjacent conference room. PRC MOD delegation will  
have just completed NMCC tour

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## PLENARY SESSION: EXPANDED TALKING POINTS

### PLENARY SESSION PART I: SECURITY ISSUES

#### U.S. Side Leads; Chinese Side Follows

- Welcome delegation to Pentagon [received NMCC tour during your private meeting with General CHIRR]



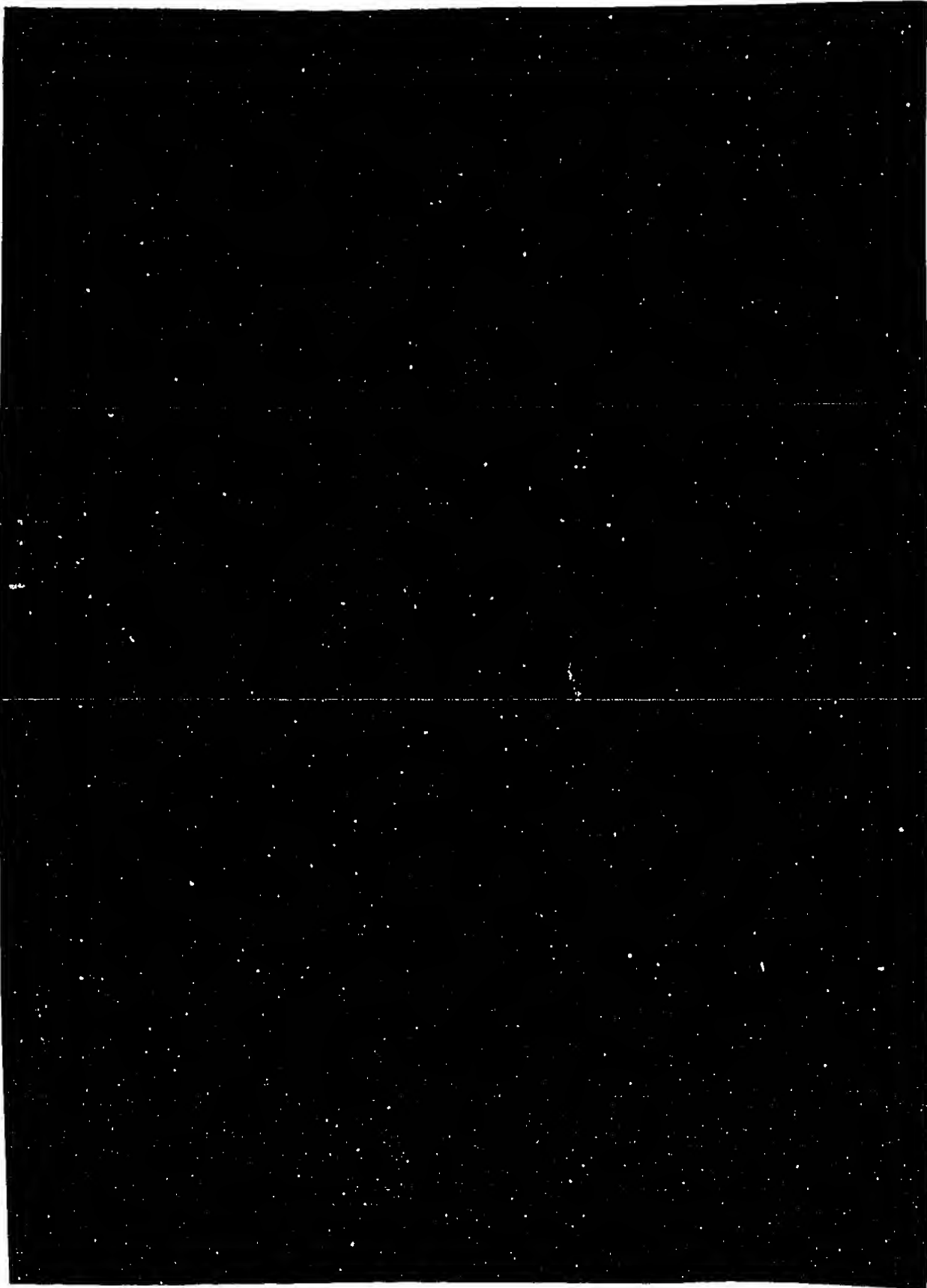
- Before beginning, though many know each other from previous visits or from yesterday's Gettysburg trip and dinner at National War College, Fort McNair, let me introduce the key participants on the U.S. side.
- CJCS, General Shalikashvili
- Ambassador Jim Sasser
- USDP, Mr. Walt Slocombe
- ASD ISA Mr. Frank Kramer
- Assistant Secretary of State, East Asia & Pacific, Ambassador Winston Lord
- My Special Assistant, Mr. Bob Hall
- Acting ASD ISP, Mr. Frank Miller
- NDU President LtGen Rokke, who'll be accompanying you throughout your stay in the U.S. as my representative
- Special Assistant to the President for Asian Affairs, Ms. Sandy Kristoff
- My Senior Military Assistant, MG Randy House
- DASD Asian & Pacific Affairs, Dr. Kurt Campbell
- Our interpreter, Ms. Vivian Chang
- Also have representatives (off the table) from the Defense Intelligence Agency and Arms Control & Disarmament Agency, as well as Brigadier General Mike Byrnes, our Defense Attaché in Beijing.
- Before starting, offer General CHIRR opportunity to introduce members of his delegation.

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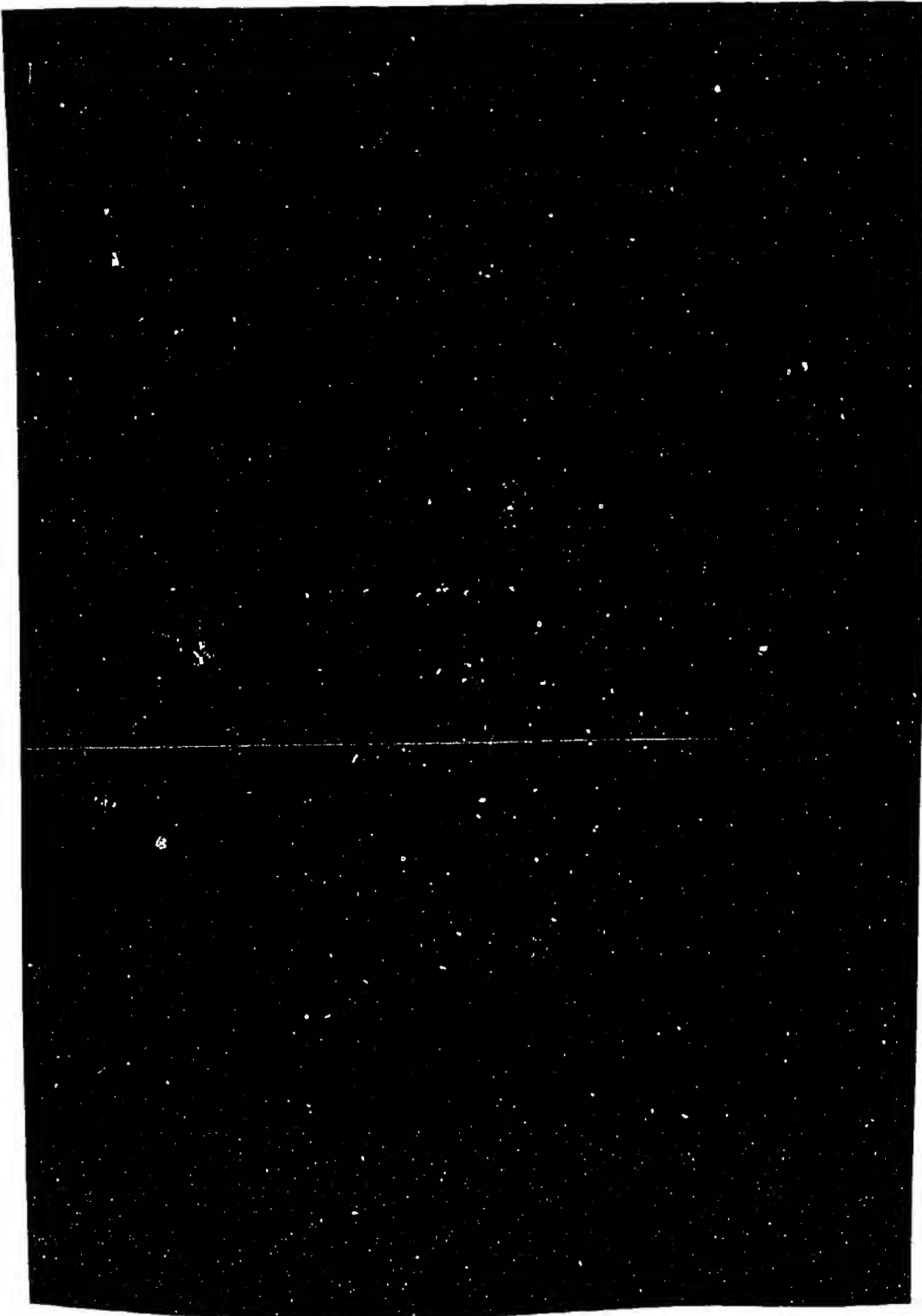
AFTER GENERAL CHIRR INTRODUCES DELEGATION:



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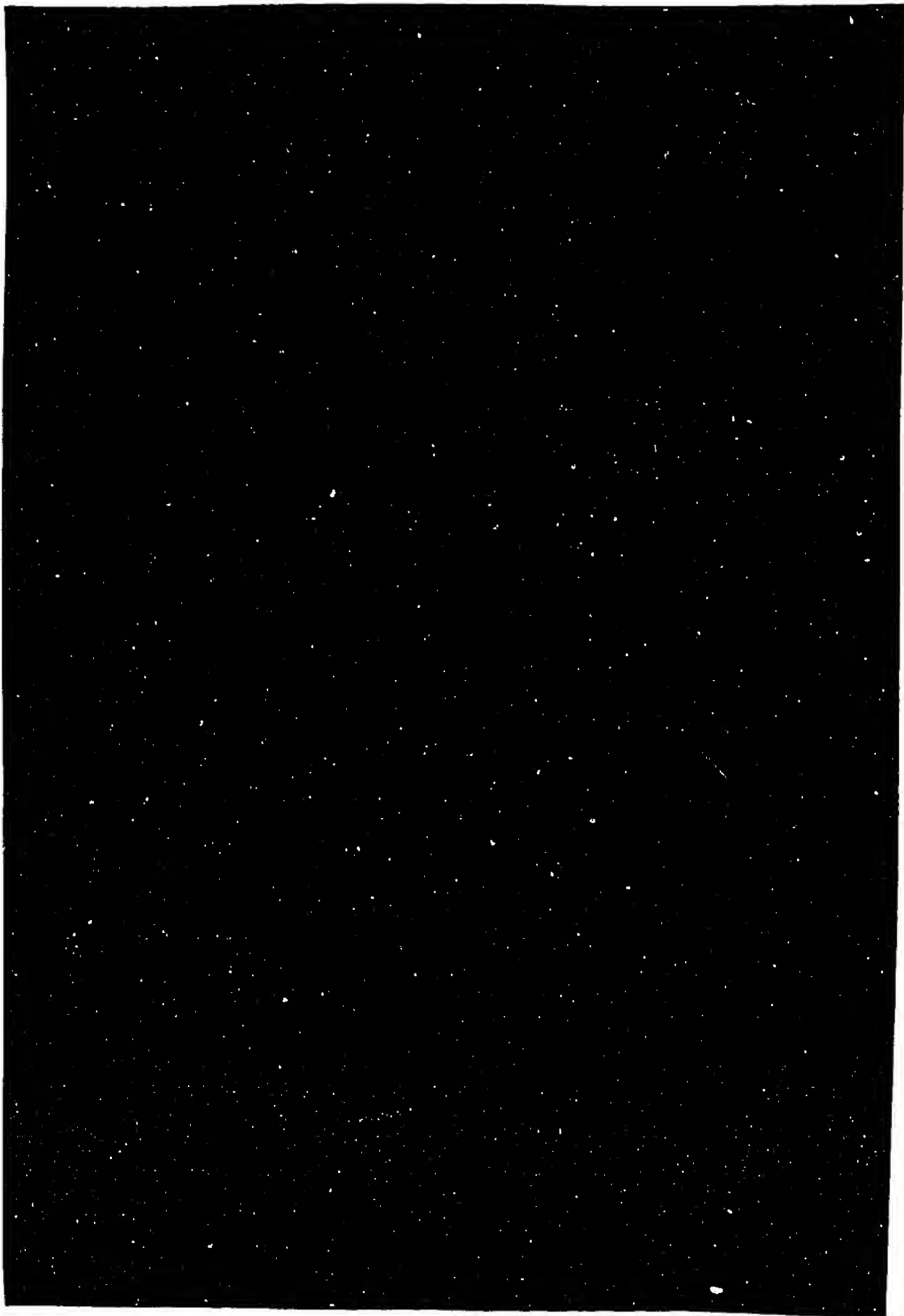
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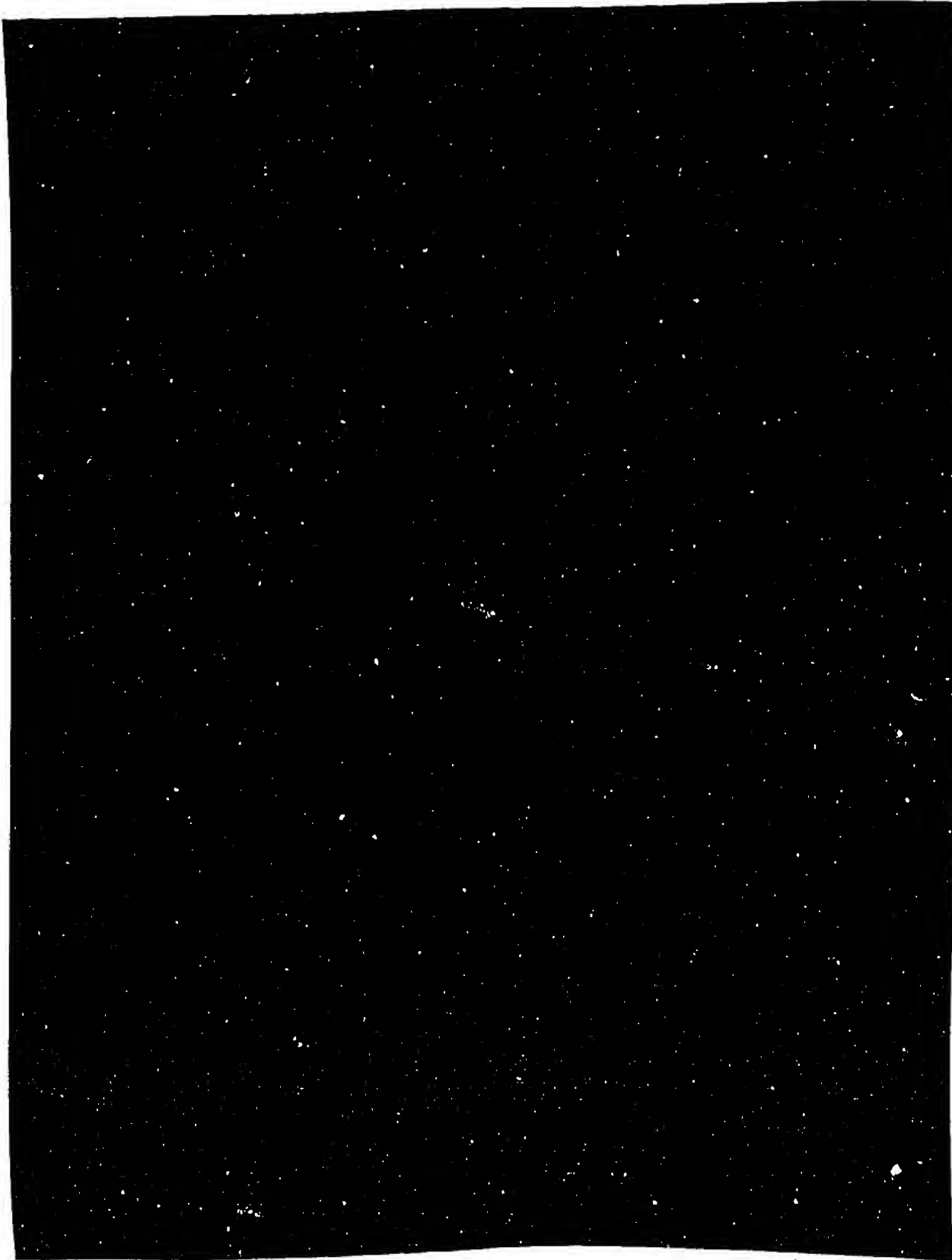
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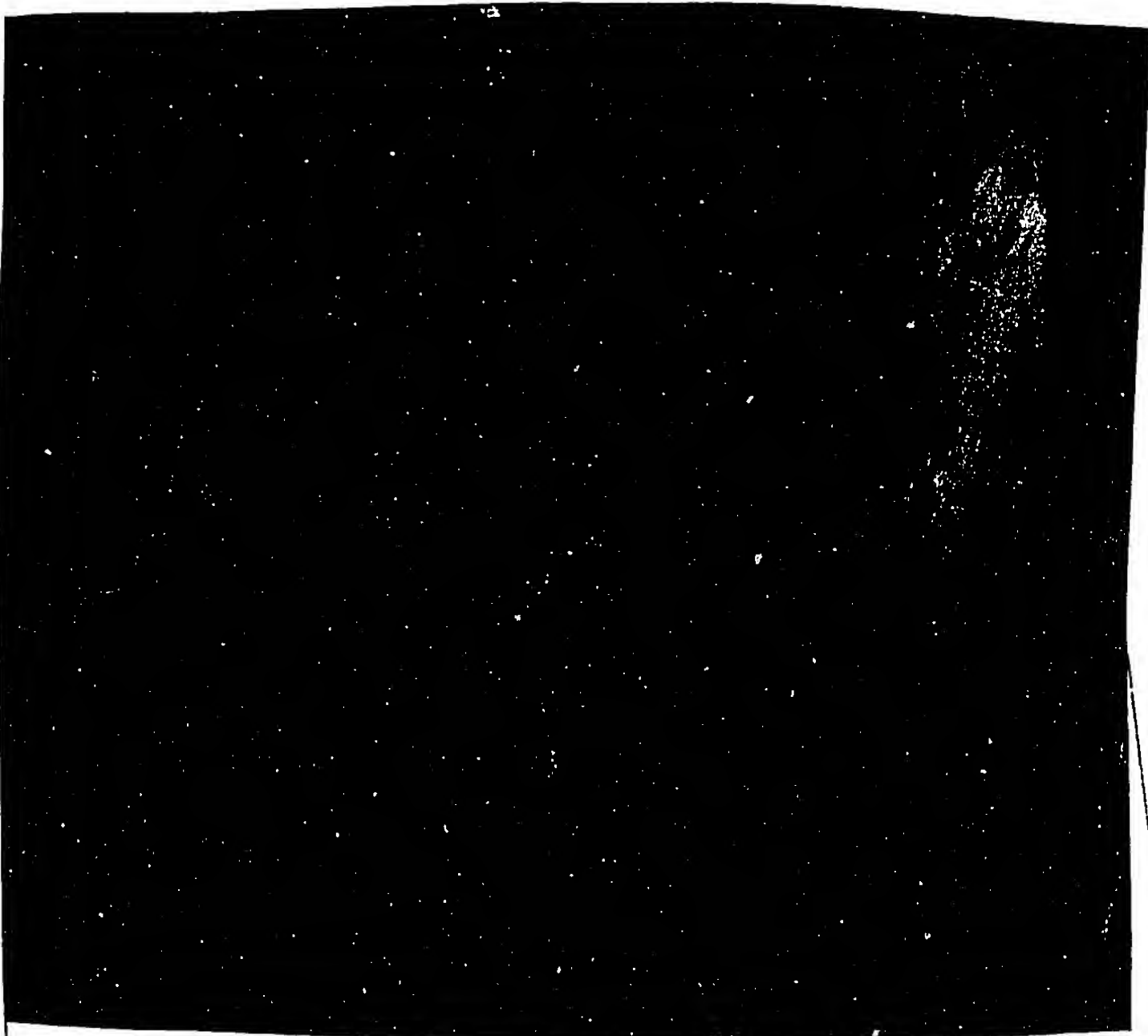
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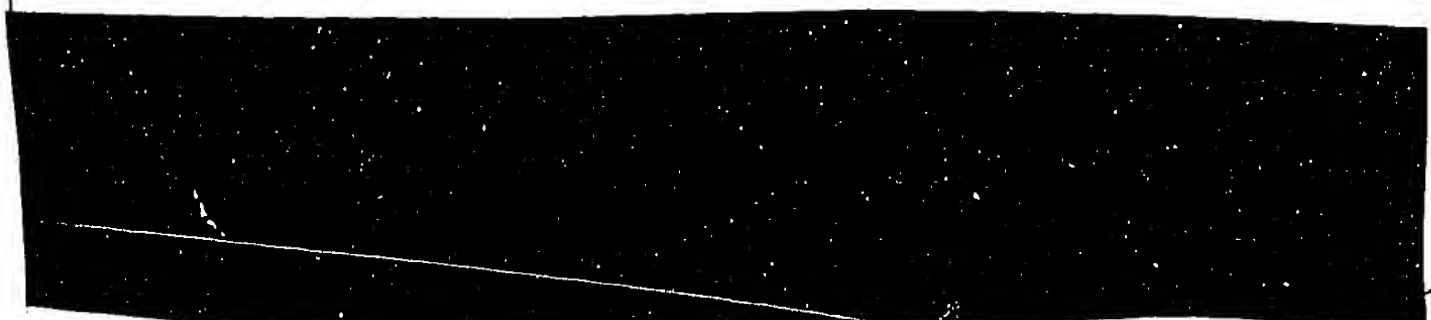
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- Let me make several points.

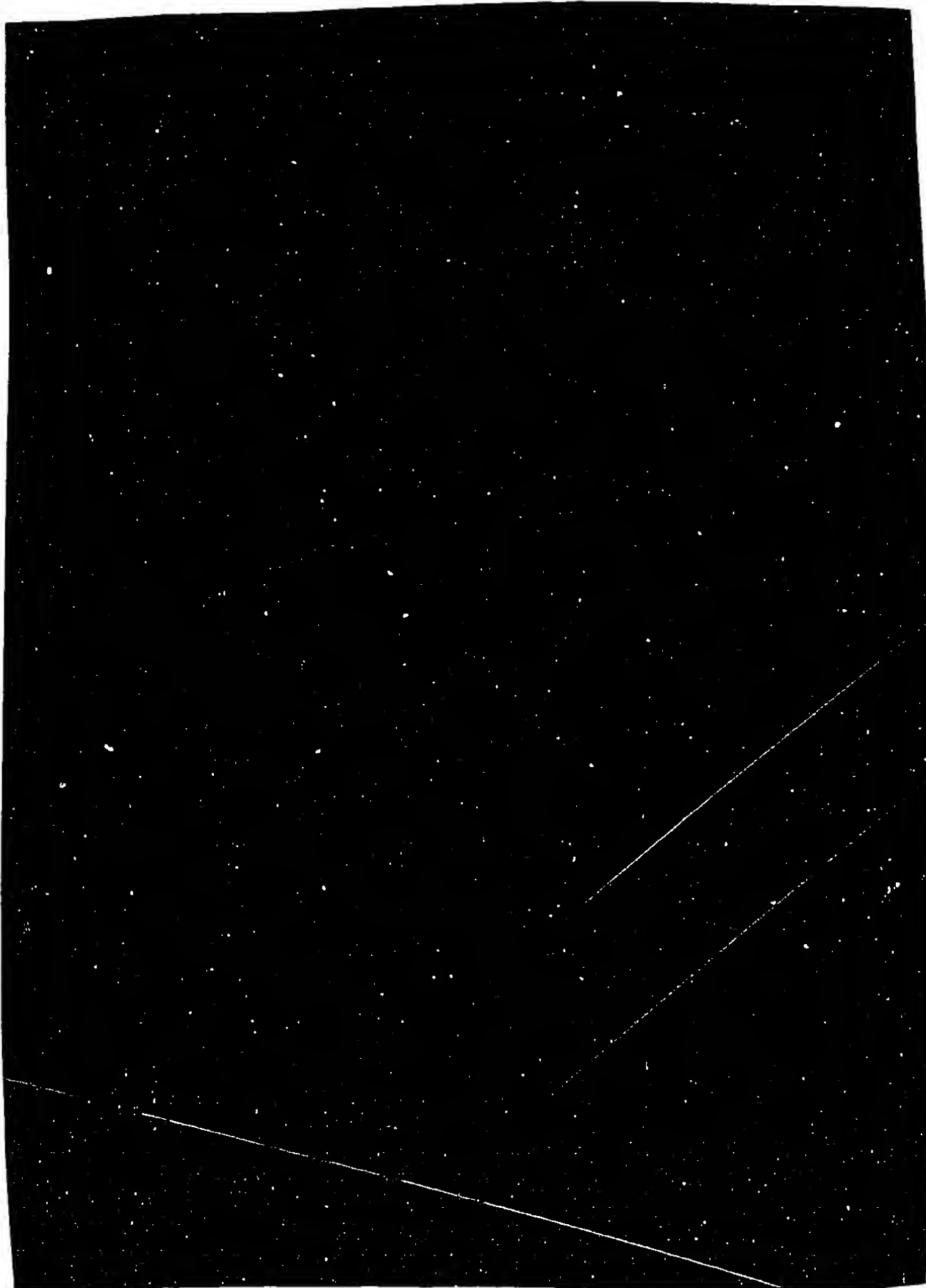


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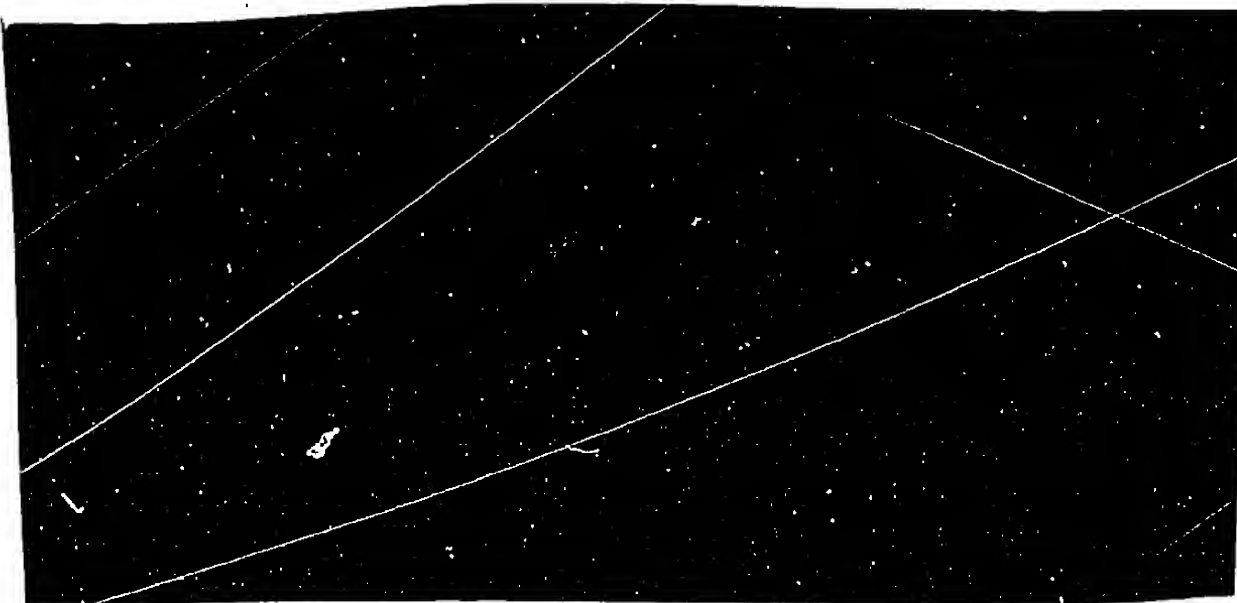
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- Let me stop here. I would welcome your own views on global and Asia Pacific security issues.

**GENERAL CHIRR'S ANTICIPATED REMARKS:**



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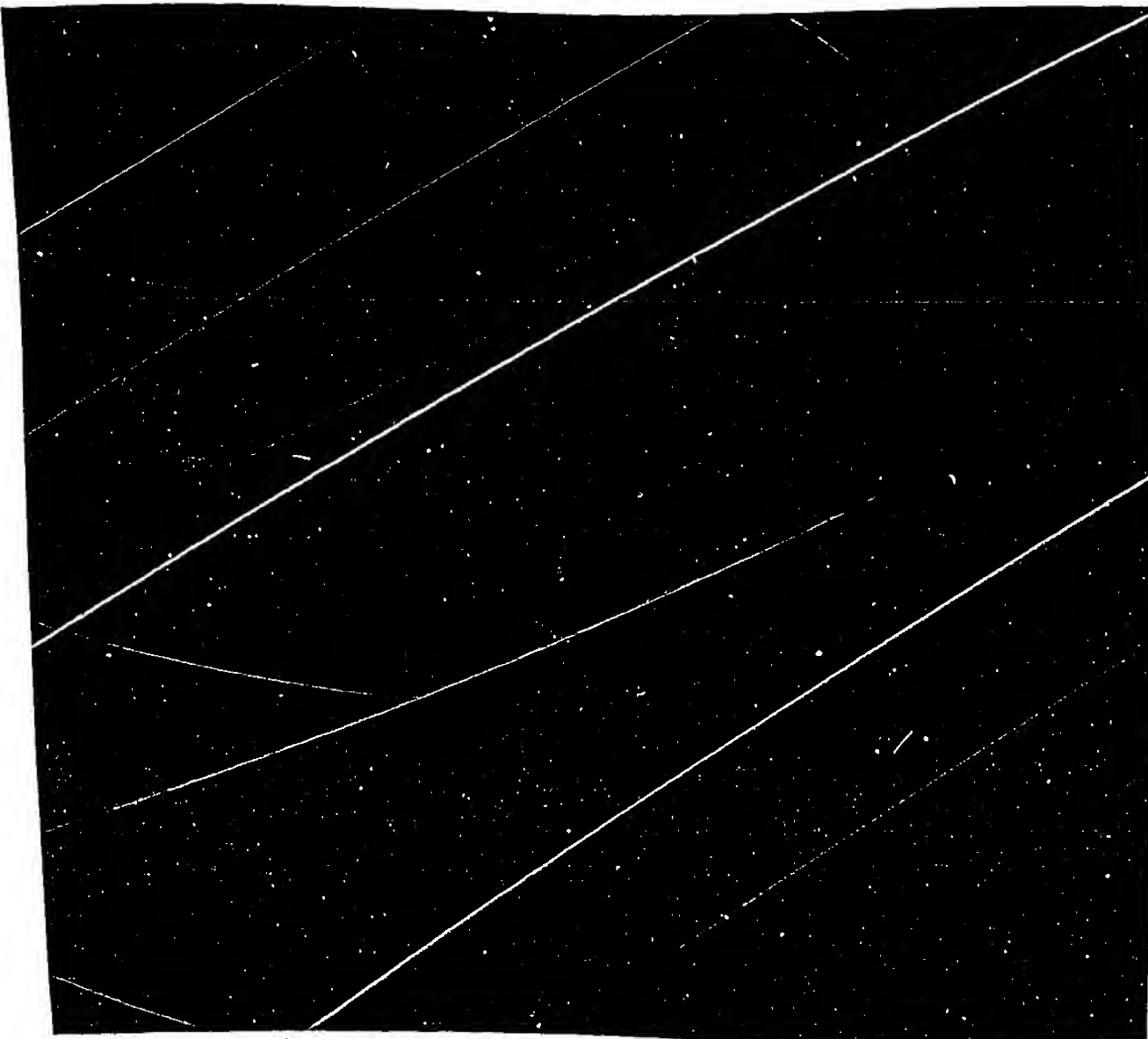
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## PLENARY SESSION PART II: SINO-AMERICAN MILITARY RELATIONS

### U.S. Side Leads; Chinese Side Follows

- Thank General CHIRR for views on global & Asia Pacific Regional security issues. Shift dialogue to bilateral military relations- U.S. side first.

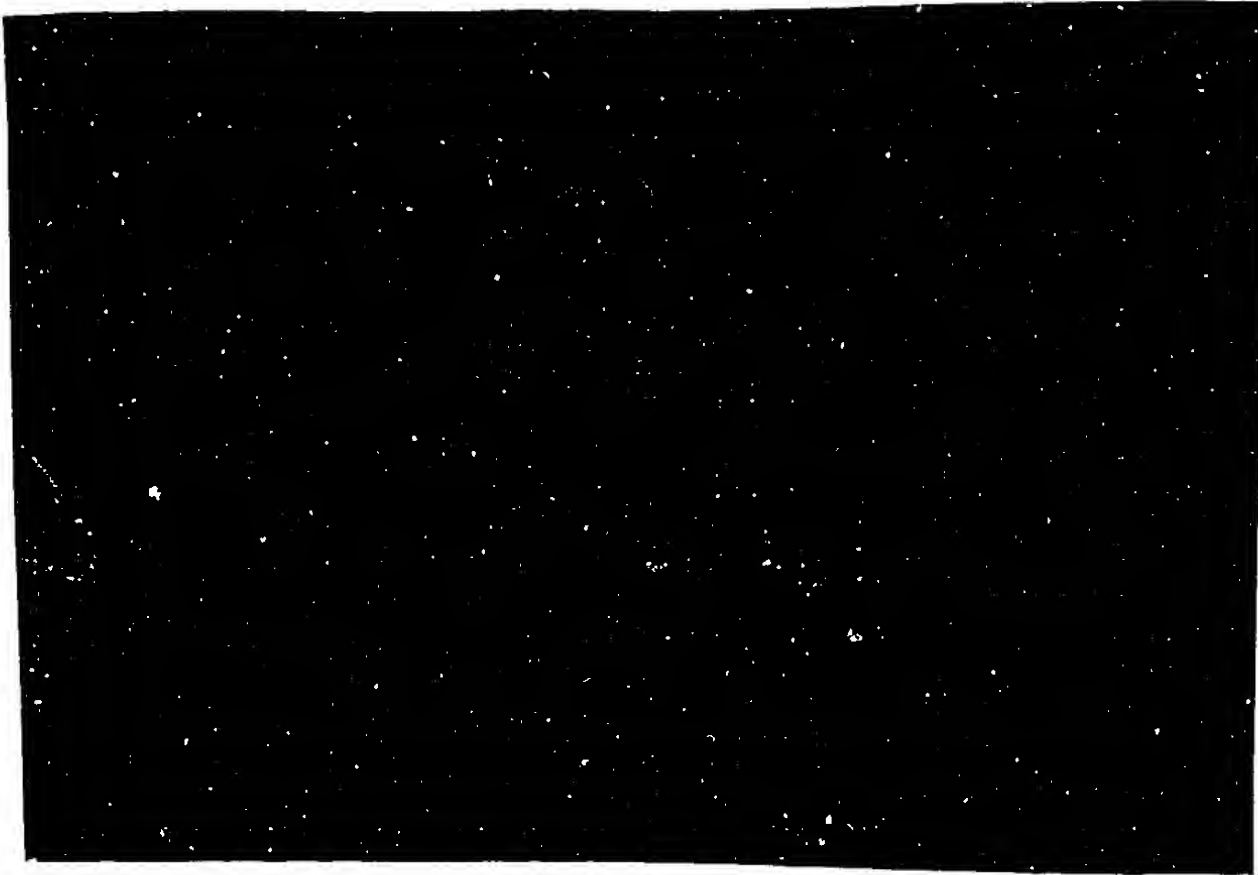


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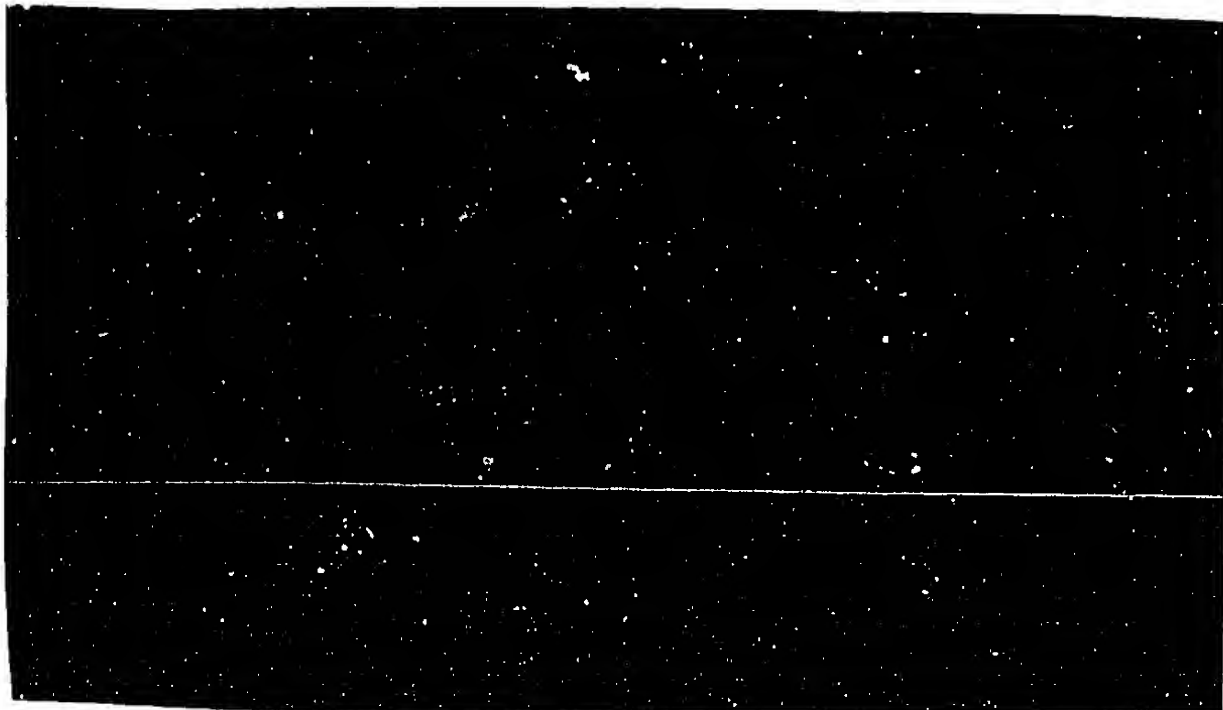
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Review State of Military Relations:



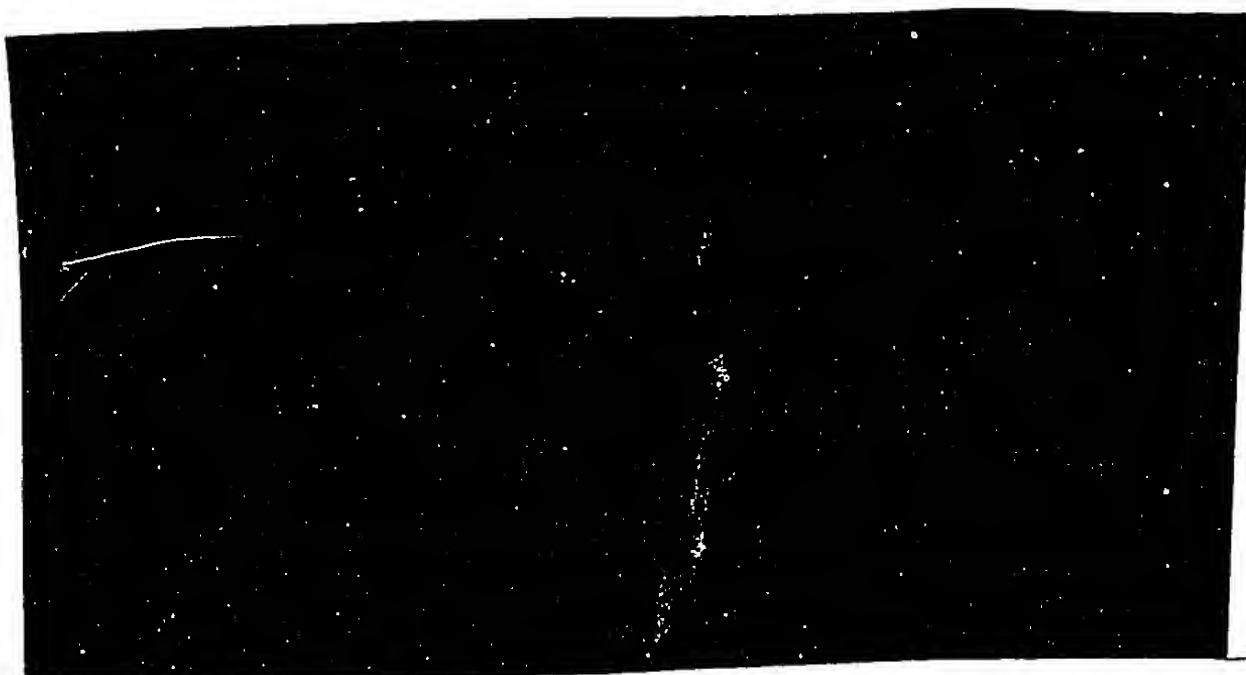
- Have are four important ways in which our militaries interact:

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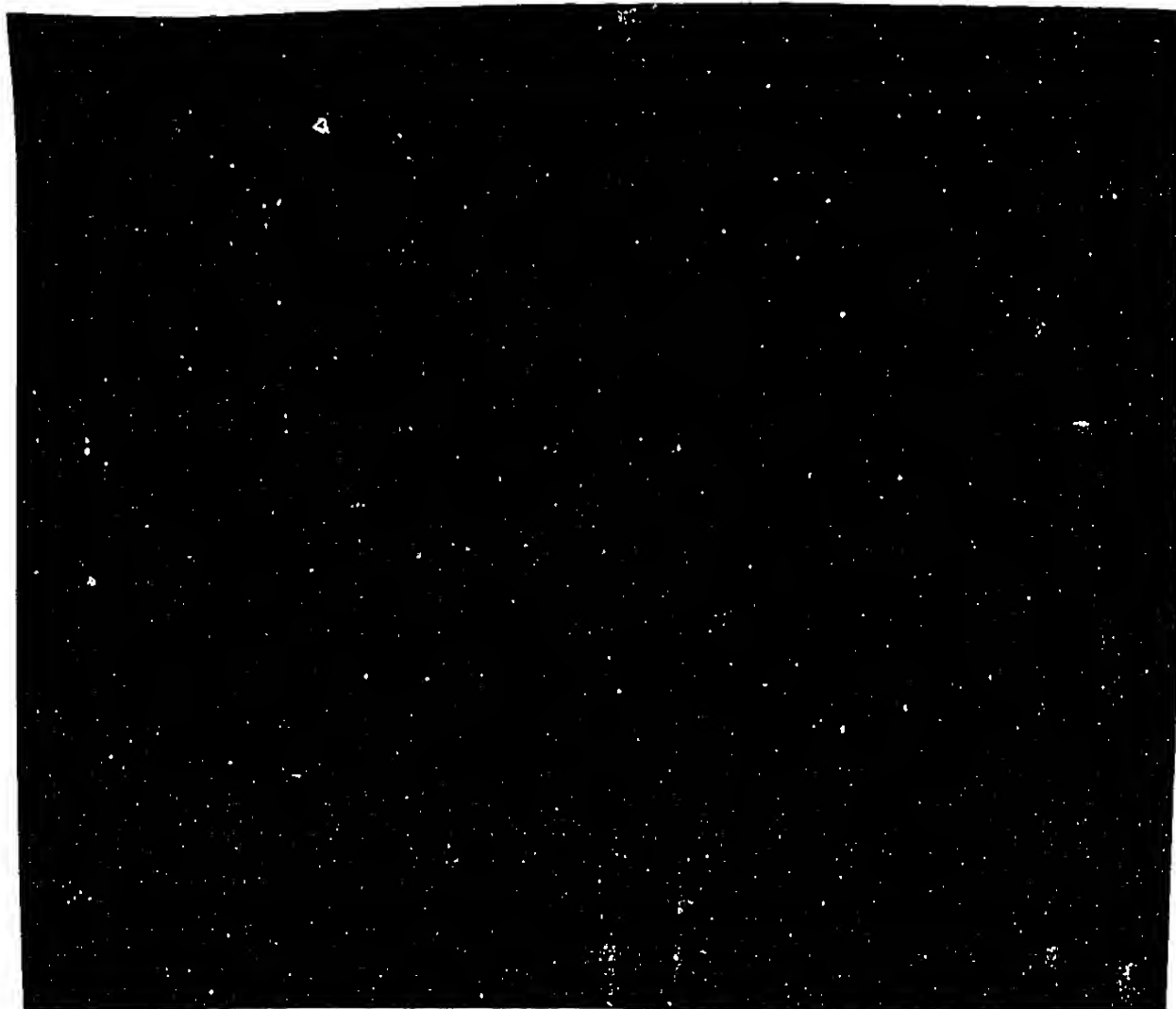
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Discuss Your Proposals for the Coming Year.

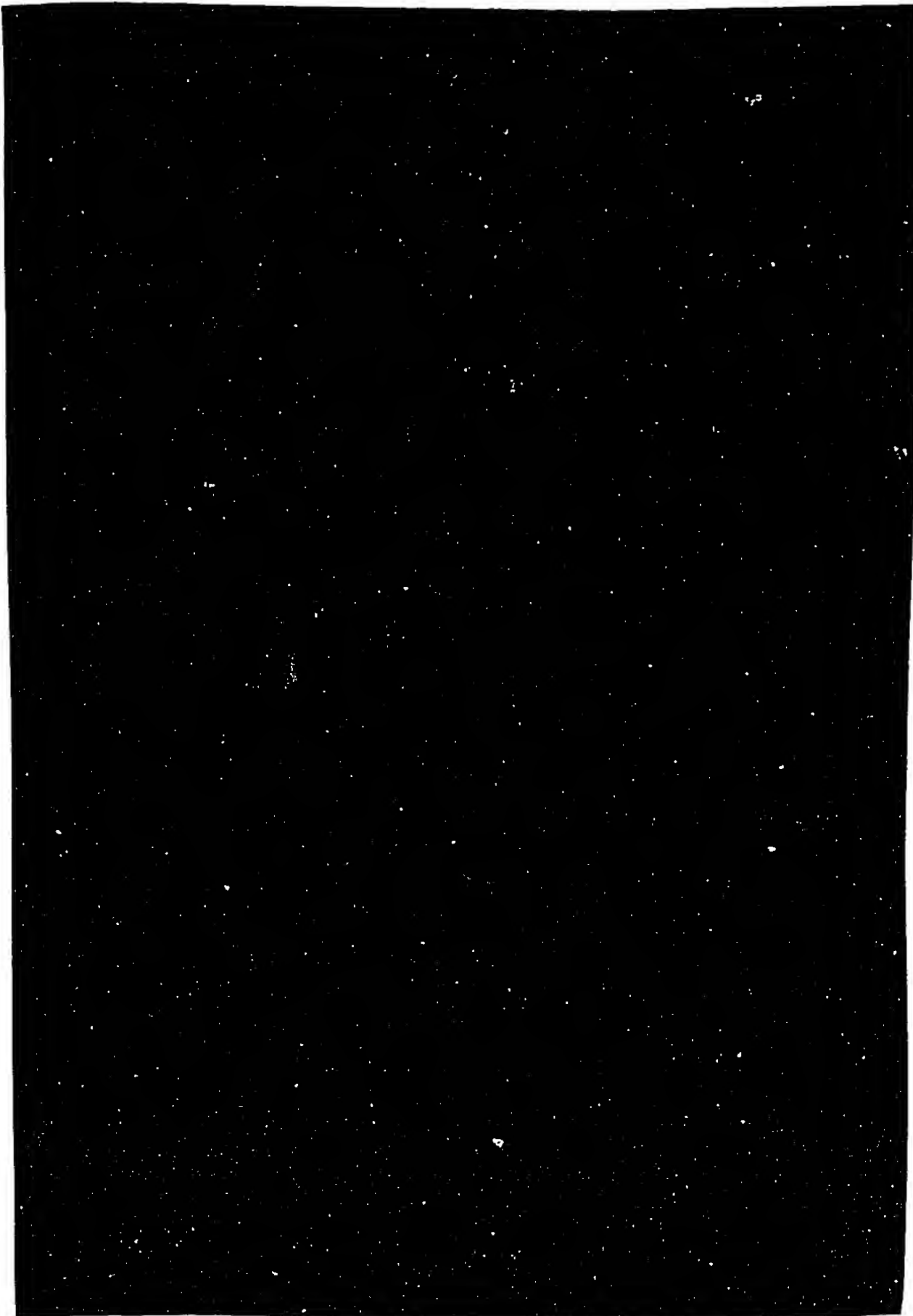


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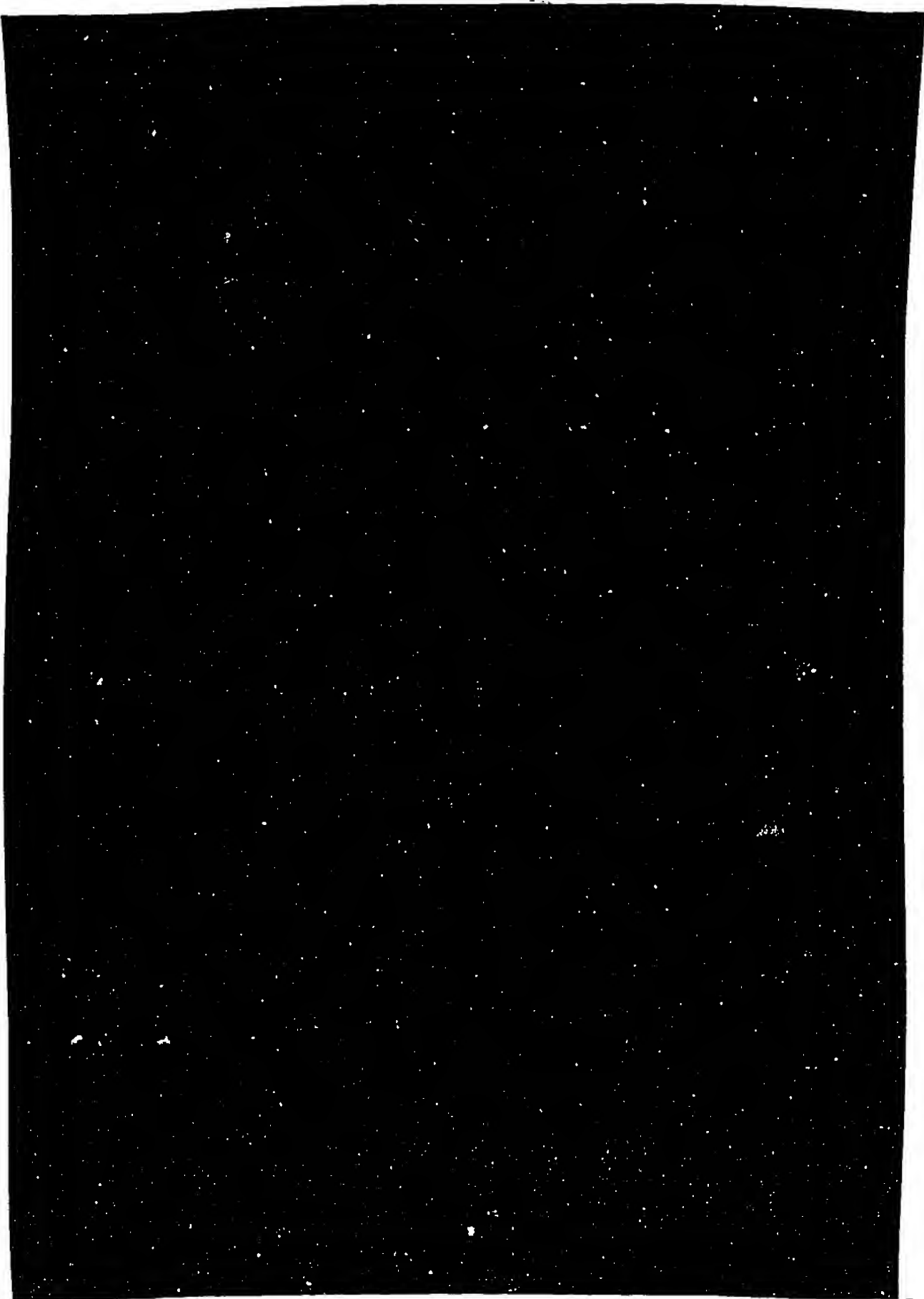


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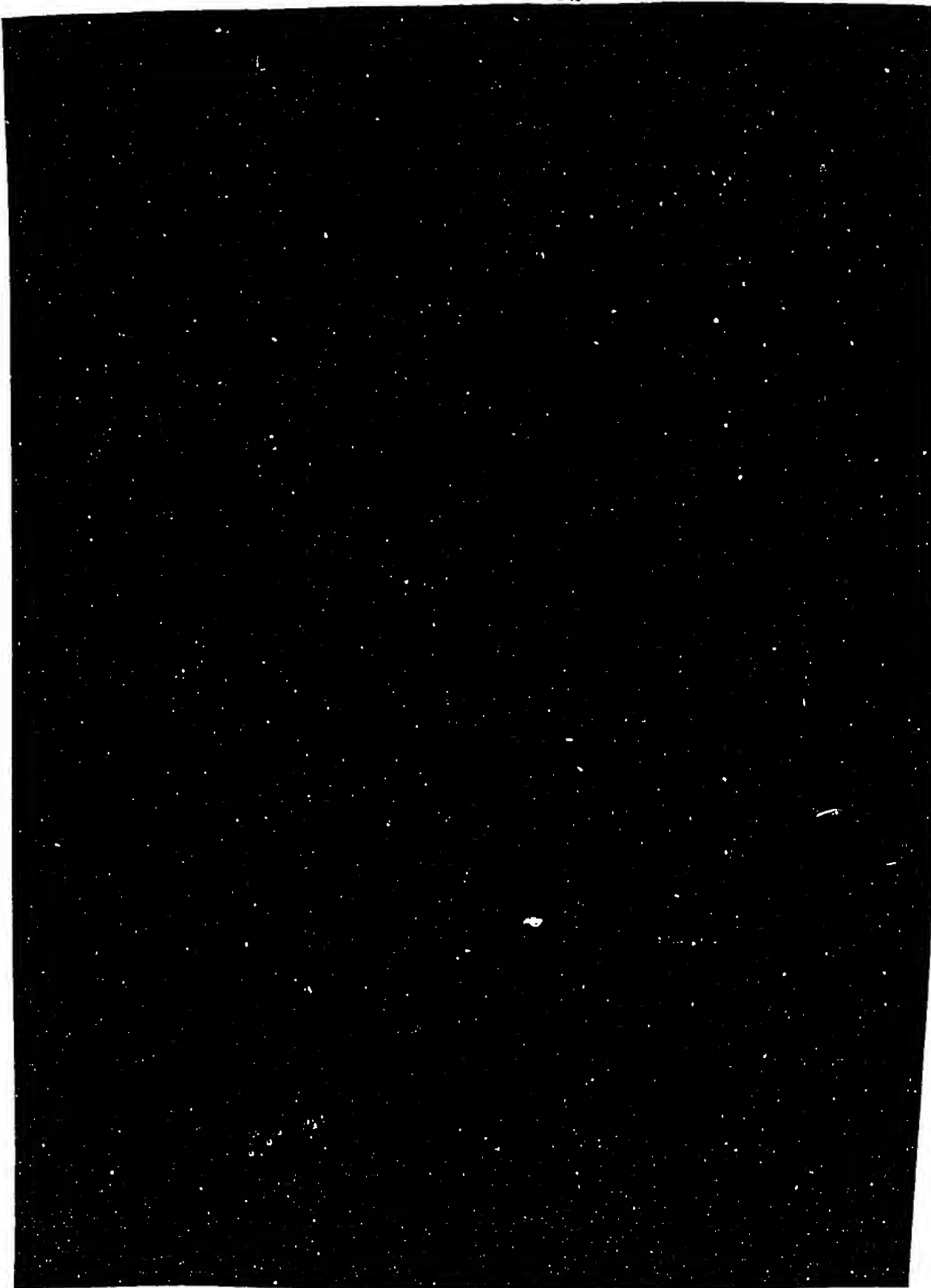


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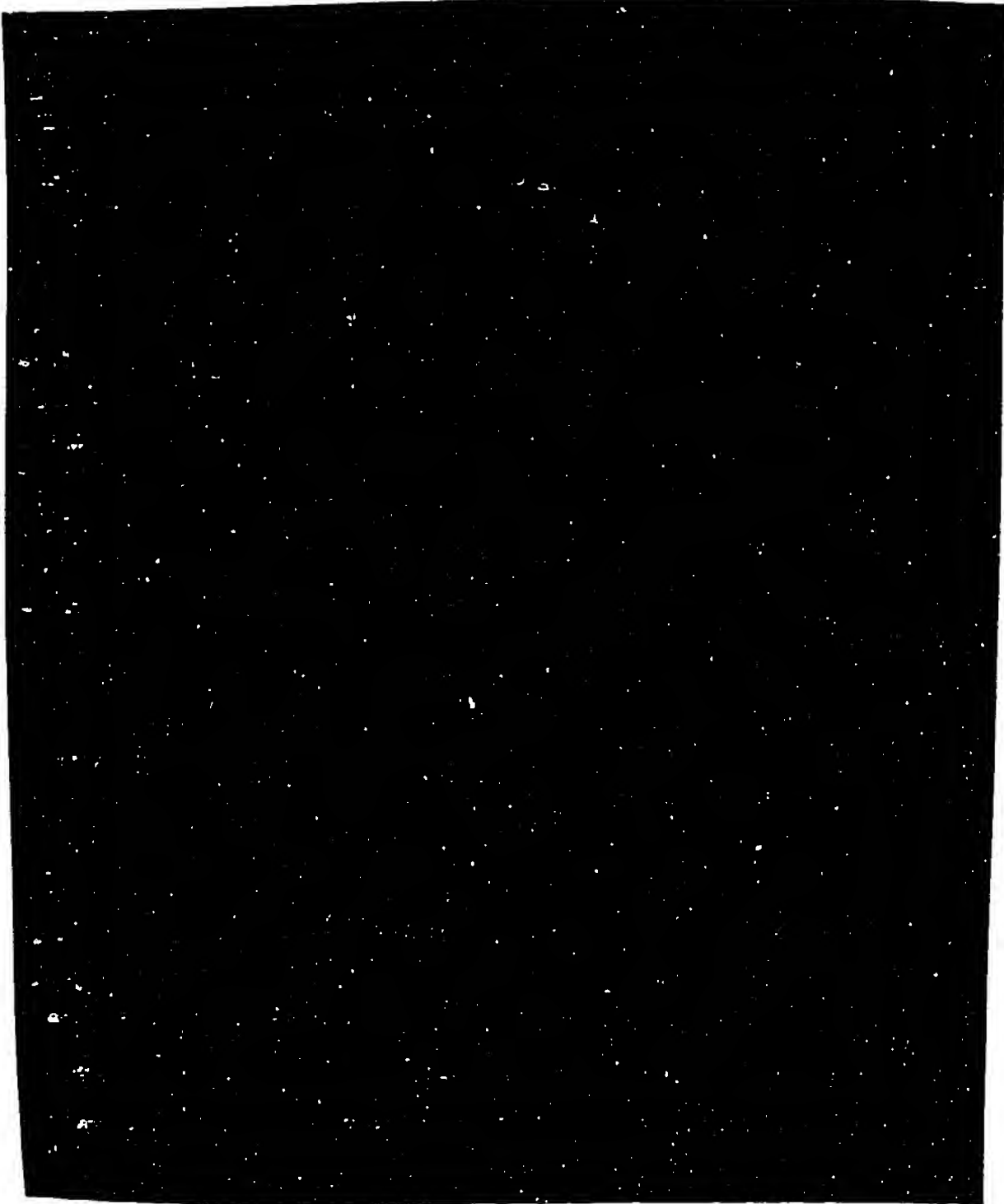


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END OF GENERAL CHIRR'S REMARKS

SECDEF CONCLUDING REMARKS:

- Thank for remarks and any positive response to U.S. proposals.
- Will take General CHIRR's proposals under careful consideration.

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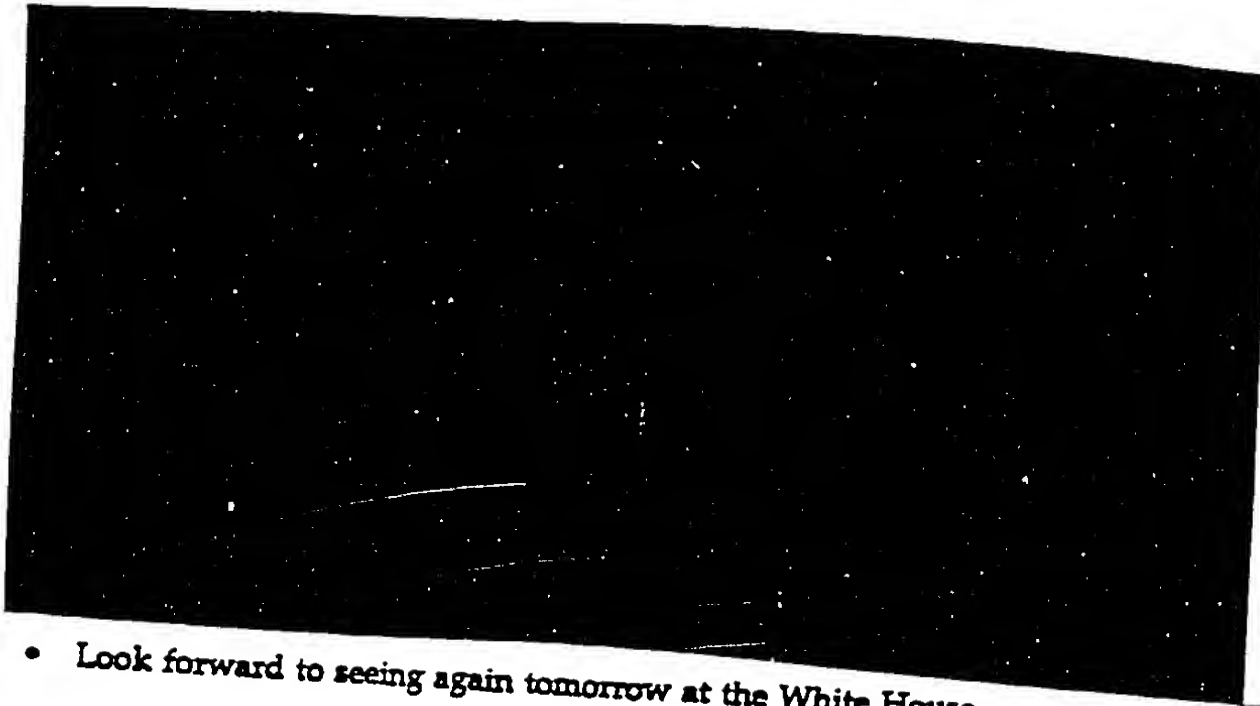


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- Look forward to seeing again tomorrow at the White House.

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